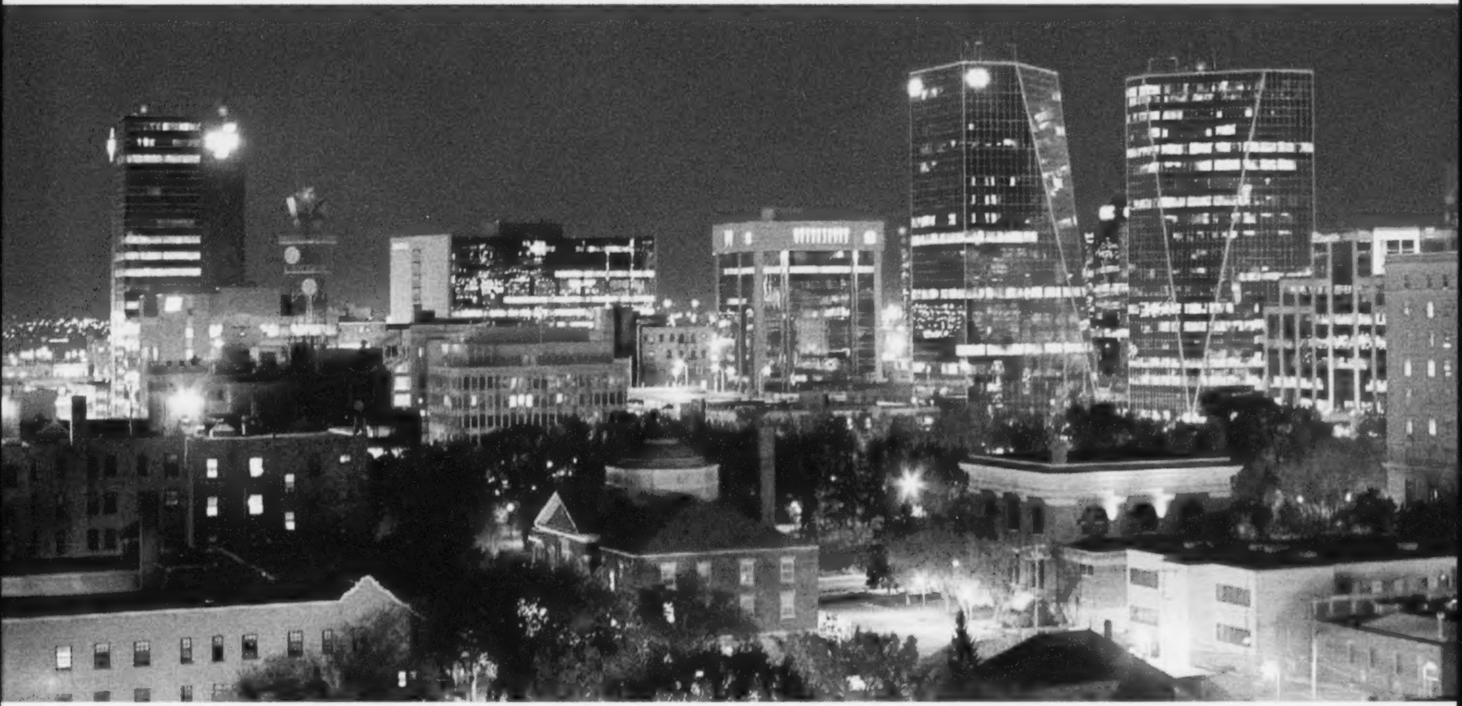
2009

CITY OF REGINA
GENERAL OPERATING BUDGET

AS APPROVED BY CITY COUNCIL



Regina

CITY OF REGINA

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The budget information included in this document has been revised to reflect typographical errors corrected from the Proposed 2009 General Operating Budget tabled by City Council on April 6, 2009.

Office of the City Manager
April 20, 2009

To: His Worship the Mayor,
and Members of City Council

Re: 2009 General Operating Budget and Other Funds Budget

Pursuant to Sections 128 of *The Cities Act*, City Council is required to adopt an operating and capital budget. The budgets summarized in this document are the proposed 2009 General Operating Budget and the 2009 Costing Fund Budget. The General Operating Budget for 2009 includes no municipal mill rate increase. The 2009 General Operating Budget totals $256 million in expenditures, an increase of $20.4 million or 8.6% over 2008.

The 2009 General Operating Budget reflects City Council's Vision:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

This vision provided the starting point for the development of the Corporate Strategic Plan – *Accelerating Excellence*, with four Strategic Priorities to guide our budget process.

The Strategic Priorities established in *Accelerating Excellence* include:

- Managing Growth and Community Development;
- Strengthening City Infrastructure and Managing Assets;
- Achieving Operational Excellence; and
- Ensuring Organizational Capacity and Effectiveness.

The budget provides City Council an opportunity to prioritize and invest in those areas that it feels will best address the needs of the community. This process requires a review of service levels, as well as the financial status of the City to ensure funding is available to pay for the services provided. The City of Regina continues to grow and diversify, and this budget is intended to work toward supporting these changing needs. The primary areas of investment in 2009 are as follows:

- Managing growth and sustainability;
- Delivering city services;
- Building our City of Regina;
- Providing value for tax dollars; and
- Becoming the best run municipality.

This investment is reflected in the 2009 general operating budget through:

- Increased resources for Regina Police Service, including funding for four additional officers beginning in October 2009.

- Investment to address the growth of the community, including new streets and roads, improvements to our waste system, additional community investment funds, and new investment in the Downtown WOW project.

- Resources to deliver City services including additional investment in the transit system, solid waste collection, cankerworm control, and bylaw enforcement.

- Increases to the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects, including investment to support the new Global Transportation Hub.

- Providing value for tax dollars, including maintaining competitive tax rates, identifying operating savings to support new investments, and maintaining a strong credit rating during volatile economic times.

- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public accountability.

The increase also includes additional costs for wages and benefits totaling $7.7 million, based on agreements reached with the City's bargaining units and including market supplements for certain occupations where the current labour market conditions have made recruitment and retention an issue.

The 2009 budget for the Board of Police Commissioners is $55.7 million, an increase of about $2.9 million or 5.5% over the 2008 budget. The increase in expenditures is partially offset by increased revenues of $919,000. The capital contribution required for the Board of Police Commissioners for 2009 is $1.1 million, an increase of $207,000 from the amount provided in 2008.

This budget also includes $7.7 million new funding from the Province, as the new Municipal Operating Grant Program has been established. This program, tied to provincial PST revenues, provides a more predictable, sustainable revenue stream for 2009 and beyond, and represents a total of $25.9 million in revenue for the City of Regina in 2009.

The 2009 General Operating Budget also includes the use of $6.7 million from the General Fund Reserve, as the 2008 surplus is allocated to support these 2009 investments. Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2009 due to these factors.

The 2009 General Operating Budget includes a 0% increase in the municipal mill rate, while enhancing priority services provided by the City. The budget reflects a balanced approach to addressing the strategic priorities, including the use of a portion of the 2008 surplus, and an effort to strengthen the City's reserves for future needs.

Respectfully submitted,

Glen B. Davies
City Manager

Introduction

Budget Overview

The 2009 General Operating Budget recommends a zero per cent mill rate increase. In the 2009 budget, the City of Regina will continue to deliver effective services and programs, with no increase in municipal property taxes. The City can offer this value for taxpayer dollars due to internal cost savings and external funding received from other orders of government.

The budget identifies investments for Regina neighbourhoods, infrastructure, facilities and services that benefit residents and aligns with City Council's vision for the City.

The 2009 General Operating Budget has been developed to support the City's Vision and Strategic Priorities, with funding for improved services and community initiatives, including:

- Increased resources for the Regina Police Service, including funding for four additional officers beginning in October 2009.

- Investment to address the growth of the community, including new streets and roads, improvements to our waste system, additional community investment funds, and new investment in the Downtown WOW project.

- Resources to deliver city services including additional investment in the transit system, solid waste collection, cankerworm control, and bylaw enforcement.

- Increases to the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects, including investment to support the new Global Transportation Hub.

- Providing value for tax dollars, including maintaining a competitive tax rate, identifying operating savings to support new investments, and maintaining a strong credit rating during volatile economic times.

- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public accountability.

The increase also includes additional costs for wages and benefits totaling $7.7 million, based on agreements reached with the City's bargaining units and including market supplements for certain occupations where the current labour market conditions have made recruitment and retention an issue.

The 2009 budget for the Board of Police Commissioners is $55.7 million, an increase of about $2.9 million or 5.5% over the 2008 budget. The increase in expenditures is partially offset by increased revenues of $919,000. The capital contribution required for the Board of Police Commissioners for 2009 is $1,052,000, an increase of $207,000 from the amount provided in 2008.

The budget includes ongoing funding for Community Investments with an increase of $1,076,400 from 2008. The budget includes funding for a number of community initiatives including:

- An additional $722,000 for Wascana Centre Authority,
- $20,000 for Government House,
- $250,000 for the World Junior Hockey Tournament,
- $200,000 for special events; and
- $250,000 to provide increased funding for non-profits, community associations and arts and culture.

The budget reflects increased tax revenues of about $1.9 million as a result of growth in the assessment base. It also reflects some projected increases in revenues related to the continuing strong building construction sector.

The budget includes the recently announced increases in Regina's share of Municipal Operating Grant of $7.7 million, to $25.9 million from the $18.2 million received in 2008.

This increase, along with $19.5 million, in one time funding from the Municipal Economic Enhancement Program, allows the 2009 Operating Budget to be balanced without a mill rate increase.

Mill rate tax increases are generally necessary to maintain the financial sustainability of the City. No tax increase for 2009, positions the City of Regina competitively relative to other major Western Canadian cities as the chart below illustrates. Despite the zero tax increase, expenditures for 2009 will rise by approximately 8% largely as a result of additional funding from the Province and a 2008 surplus. In an era of growth, it is important for the City to continue to invest in its infrastructure and capacity to deliver needed services.

	2004	**2005**	**2006**	**2007**	**2008**	**5 Year Average**	**Proposed 2009**
Calgary	5.00%	3.50%	4.40%	4.00%	4.50%	4.28%	5.30%
Edmonton	5.30%	5.40%	3.40%	4.95%	7.50%	5.31%	7.30%
Red Deer	12.00%	0.00%	1.60%	9.76%	8.66%	6.40%	7.05%
Saskatoon	3.78%	3.40%	1.86%	4.76%	5.36%	3.83%	2.87%
Regina	0.00%	4.00%	0.00%	3.91%	2.84%	2.15%	0.00%

2009 Budget Process

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2009 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2009 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities. Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities. These "Reinvestment" opportunities totaled $1,159,400 for the 2009 budget, and reflect an ongoing commitment to the 2004 Core Services Review.

Corporate Strategic Planning and Performance Management Process

In early 2007, City Council updated its Vision for Regina as follows:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

Corporate Strategic Plan

In November 2007, the Executive Leadership Team endorsed in principle our first, five-year corporate strategic plan: Accelerating Excellence, 2008-2012. It is the highest level of planning in the Corporation and it represents a roadmap for the entire organization. It takes direction from Council and communicates our Vision, Mission, Values, Strategic Priorities, Key Areas of Focus and Outcomes enabling the Divisions of our City to develop and align their business plans. Combined, this forms the "line of sight" for the community, Council and employees.

Background

The Core Services Review that was completed in 2004 recommended that the City of Regina develop a corporate strategic plan and a corporate performance management program. The Core Services Review final report stated[1]:

> "A theme that repeated itself throughout the core services review focused on the lack of a strategic link between the Community Vision that [had] been created by Council and the activities of the municipal corporation. Articulated in various ways, there was a lack of understanding about how the municipal corporation itself and the many service areas within it were meant to support and realize that Vision."

To establish the strategic link, and galvanize our efforts, the City of Regina undertook a strategic planning process to strengthen the relationship between the community, Council and our employees in keeping with our Accountability Framework. This framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

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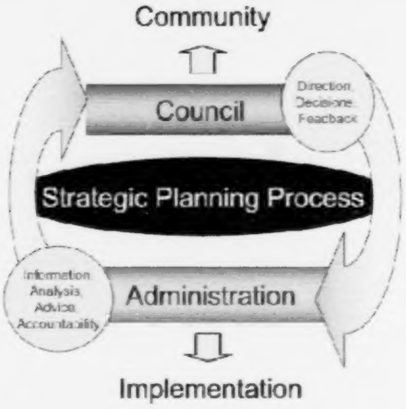
[1] "Final Report: Core Services Review", TkMC, November 29, 2004

City of Regina Accountability Framework


Community
Council
Direction, Decisions, Feedback
Strategic Planning Process
Information, Analysis, Advice, Accountability
Administration
Implementation

Business Planning

During 2008, divisional business planning began using the corporate strategic framework as a basis for planning. In addition to this "top-down" approach, Divisions also incorporated their knowledge of customer and citizen priorities, facility and infrastructure requirements, and their daily analysis of risks and opportunities resulting from ongoing operations – a more "bottom-up" approach. The two approaches working together ensure that the corporate strategic approach will integrate into Divisional business plans that are both strategic and responsive.

Beginning in 2009, business planning will begin to cascade down to Department and Branch levels. As planning cascades through the organization, the level of engagement and detail will become increasingly refined. Participants in the planning sessions are cross functional to ensure an integrated approach and a 'de-siloing' of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Priorities to provide better context for their planning efforts.

Corporate Performance Management Program

Accountability for delivering on a plan requires that performance be measured. In this way, the Corporation can ensure that it is making progress against that plan. Accordingly, the City is developing a Performance Management Plan (PMP). The PMP will embed the Vision, Mission and Values in how we manage our services, resources and assets by establishing benchmarks and service levels, as well as report on our progress. We are committed to building a comprehensive PMP and have taken some early first steps.

During the first quarter of 2008, the development of a balanced scorecard was initiated. Corporate performance will be measured in four dimensions: Customer, Assets, Organization, and Growth. Through 2008, preliminary metrics have been developed to measure the corporation's progress on the highest level outcomes articulated in The Corporate Strategic Plan – Accelerating Excellence, in each of these four dimensions.

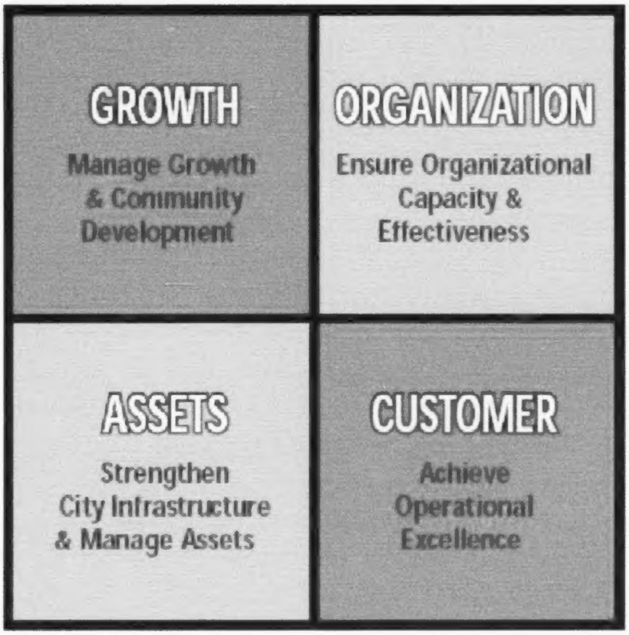
Early benchmarks have been established in several areas and progress is now being tracked. Divisions and departments are now beginning to align their own progress measurement with these metrics. However, much work remains to be done, including:

- Identifying metrics that are missing;
- Developing required metrics and real outcome measures in association with benchmarks and targets for improvement.

In 2009, the City of Regina will produce its Annual Report, which, will describe the progress that has been made in Accelerating Excellence. Since municipal government has the highest level of transparency within the public sector, reporting progress to the community and Council is critical.

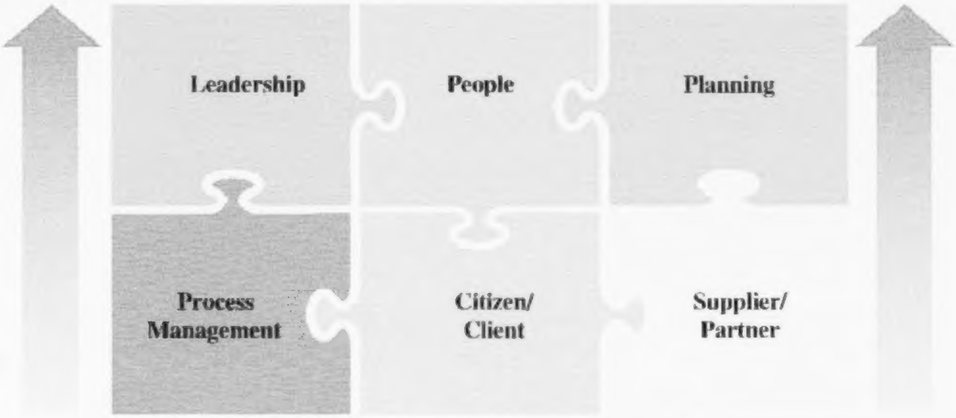
The Corporate Strategic Plan - *Accelerating Excellence* - identified four strategic priorities:

A Vision for Regina


GROWTH
Manage Growth & Community Development
ORGANIZATION
Ensure Organizational Capacity & Effectiveness
ASSETS
Strengthen City Infrastructure & Manage Assets
CUSTOMER
Achieve Operational Excellence

National Quality Institute

To ensure continuous improvement in all areas of the Corporation, the City of Regina will intensify its efforts to become the best run municipality in Canada by joining the National Quality Institute's (NQI) Progressive Excellence Program for the Public Sector. NQI's Strategic Quality Approach focuses on best practices in six key areas:



Principles for Excellence

The City of Regina attained level one using NQI's quality criteria in 2008 and has established a goal to achieve level four or gold level status by 2011. Only two other Canadian municipalities have achieved this standard. Attainment of the NQI gold standard is one benchmark that provides the City with external validation that it is successfully becoming one of Canada's best run municipalities.

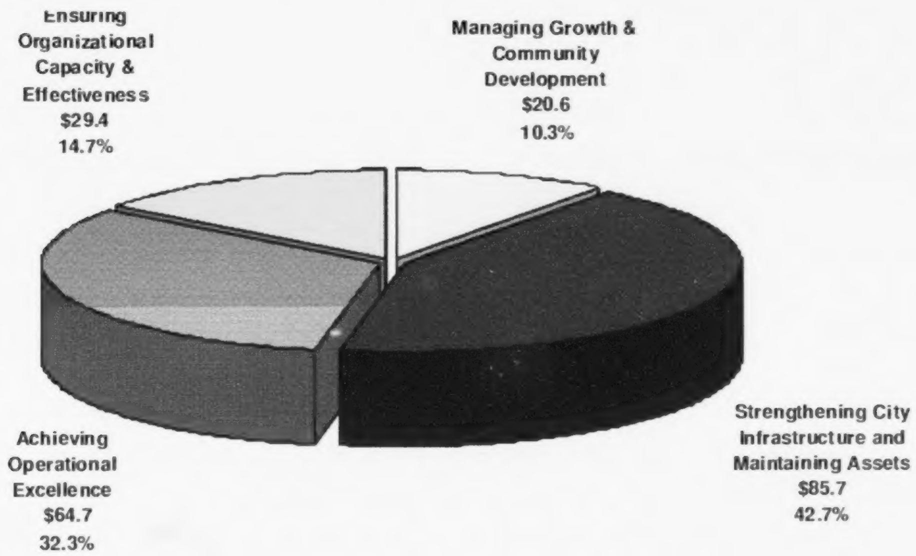
Budget Development

The 2009 budget development process was driven by the divisional business plans, which reflect the operational response to the corporate strategic plan. They reflect the implementation of strategic decision making through the administration as outlined in the Core Services Review recommendations.

In addition to the typical departmental and program breakdowns used in the budget process, Divisions were asked to categorize their 2009 budget expenditures by strategic priority. Based on this information, the 2009 budget includes the allocation of human and financial resources to these strategic priorities:

2009 General Operating Expenditures

Expenditures By Strategic Priority – 2009
(millions of dollars)



The following sections provide further information about the factors driving the strategic priorities and how the requests for additional or one time funding are linked to those priorities:

Managing Growth & Community Development

This Strategic Priority ensures we anticipate and prepare for our City's growth and are responsive to the needs of our community. Experience in Western Canada has shown the importance of properly managing growth. It is vitally important that growth be managed proactively, and that citizens who may be unable to fully participate in the positive economic climate are not forgotten. Anticipating and preparing for Regina's growth and being responsive to the needs of our community helps the City remain vibrant and sustainable.

Prior to 2007, for many years, the City had been operating in an environment where growth in terms of residential and commercial development was relatively slow. The current conditions require some shifts in the way services are delivered, and in the way resources are allocated.

During 2008, building permits issued were 2% higher than in 2007, which was a record year for Regina at 22% higher than the previous year. In 2007, Saskatchewan housing prices were up 26% and, despite declines in other Canadian provinces, housing values remained strong here through 2008. Saskatchewan continues to lead the rest of Canada in most economic indicators. While it is not likely that Saskatchewan will be unaffected by global economic forces, Regina's economy continues to grow and projections suggest that the upward trend will continue for 2009 *(CIBC, TD, Conference Board of Canada)*. Net migration to Saskatchewan continues to be positive and more people are calling Regina home. The commercial sector in Regina continues to do well. For example, the City recently annexed a large tract of land to accommodate the development of the Global Transportation Hub, a huge commercial endeavour designed to link the transportation modes of commercial goods arriving in and leaving the city.

The 2009 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Managing Growth and Community Development:

	Description	2009 Cost	2009 Full Time Equivalent Positions Permanent	Casual
1.	Community Investments ($100,000 - Non-Profit; $100,000 - Arts; $50,000 - Community Associations)	250,000	-	-
2.	Maintenance of New Open Space	95,100	-	2.4
3.	Asphalt Maintenance for City Growth and Expansion	86,100	1.0	(1.0)
4.	Operation of Grinder at Landfill	57,500	0.5	0.5
5.	Solid Waste Expansion Due to City Growth	29,400	-	0.2
6.	Concrete Services - Increased Growth and Development of the City	27,000	1.0	(1.0)
7.	Further Diversion of Materials at Landfill	12,500	0.5	-
8.	Advertising and Media Related Services	9,000	-	-
		566,600	3.0	1.1

The 2009 General Operating Budget includes the following funding on a one-time basis for 2009 related to Managing Growth and Community Development:

	Description	2009 Cost	FTE's Casual
1.	Municipal /School Board Election	320,800	-
2.	Civic Aerial Photography	75,000	-
3.	Taxicab Bylaw Review and Service Level Study	45,000	-
4.	Travel Allowance - Travel carry over allowance for Councillors provided pursuant to the Elected Official Travel Policy	44,700	-
5.	Downtown Plan - Interim Urban Design Review (Consultant)	30,000	-
6.	Consulting Services - Building Permit Fee Study	25,000	-
		540,500	-

Strengthening City Infrastructure & Manage Assets

This Strategic Priority is related to strengthening our City infrastructure systems and managing other tangible and financial assets. It ensures that our city is strong and financially sustainable.

The existing municipal infrastructure is ageing and investment has not kept pace in maintaining optimal infrastructure condition levels and ensuring that lifetime investments required are minimized. The City's total infrastructure has a replacement value in the order of $10 billion and an additional $2.1 billion of additional infrastructure is required over the next ten years.

The City faces challenges in maintaining the wide assortment of infrastructure used to deliver City services. In Regina, there are over $10 billion worth of public and city operational buildings, streets, roads and sidewalks, traffic signals and signs, vehicles and equipment, parks and open space, trees and athletic fields. Over time, all of this infrastructure will require replacement but in the next ten years, $2.1 billion of new infrastructure is required. Within the current financial model, the City cannot afford to maintain and renew all of these assets, relying exclusively on property taxes as a revenue source. When additional federal and provincial infrastructure funding is provided, it is critical that those funds be used in a manner that provides value for years to come. The City's strategy for ensuring this occurs includes:

- Implementing effective asset management techniques such as lifecycle costing and preventative maintenance programs.
- Exploring community partnerships – with both public and private organizations – to provide the infrastructure to support the services Regina's citizens require.
- Promoting rationalization of facilities and infrastructure, which could include multi-use or consolidated facilities.

The 2009 General Operating Budget includes additional funding for the following items on an ongoing basis related to Strengthening City Infrastructure and Managing Assets:

			2009 Full Time Equivalent Positions	
	Description	**2009 Cost**	**Permanent**	**Casual**
1.	Wascana Centre Authority - requested increase Re: Maintenance of Lands	122,000	-	-
2.	Tangible Capital Assets - Business Systems Analyst	75,000	1.0	-
3.	Maintenance of Gravel Roads - New Roads from Annexation	41,100	-	0.5
		238,100	1.0	0.5

The 2009 General Operating Budget includes the following funding on a one-time basis for 2009 related to Strengthening City Infrastructure and Managing Assets:

			FTE's
	Description	**2009 Cost**	**Casual**
1.	Oracle R12 Upgrade	97,300	1.3
2.	KPMG Tangible Capital Asset Valuation	60,000	-
3.	Rear Alley Container Maintenance	41,800	0.3
4.	Tangible Capital Assets - Business System Analyst	30,000	0.5
		229,100	2.1

Achieving Operational Excellence

This Strategic Priority focuses on providing excellent customer service to our community.

The City operations are comprised of many different areas of specialization, including planning and development, engineering, protection of people and property such as fire services, transportation, recreation, enforcement and safety, administration, legal services, and communication.

The citizens of Regina should expect to receive a high quality of service from their City. This strategic priority reflects the need for all areas of the City to be able to deliver high quality services in a professional and integrated manner. Our goal is to deliver excellent customer service through efficient, customer focused processes and increased customer awareness and involvement. In 2008, the City launched its new Customer Service Strategy and early in 2009, began a cross corporation customer service training program.

Key to the effort to improve service, in early 2009, the City Administration adopted in principle, a new Public Engagement Framework that will be piloted in 2009 and subsequently fully implemented city-wide in 2010. By systematizing public engagement by the City of Regina, citizens and customers can be assured that their input will be sought and will be informed of how that input will influence any decisions to be made about kinds and levels of service.

The 2009 General Operating Budget includes the following items on an ongoing basis, related to Achieving Operational Excellence:

			2009 Full Time Equivalent Positions	
	Description	**2009 Cost**	**Permanent**	**Casual**
1.	Cankerworm Control Program	80,000	-	0.7
2.	Reassessment Market Data Clerks	43,600	-	2.0
		123,600	-	2.7

The 2009 General Operating Budget includes the following funding on a one-time basis for 2009 related to Achieving Operational Excellence:

			2009 Full Time Equivalent Positions	
	Description	**2009 Cost**	**Permanent**	**Casual**
1.	West Nile Virus Mosquito Control (fully funded - external)	277,500	-	-
2.	Service Regina - Project Mgmt Analyst & Cust Serv Rep	130,000	-	2.0
3.	Reassessment Market Data Clerks	82,500	-	2.0
4.	Solid Waste Management Plan	75,000	-	-
5.	Tangible Capital Assets Audit	25,000	-	-
		590,000	-	4.0

Ensuring Organizational Capacity & Effectiveness

This Strategic Priority ensures we have the right people and processes in place, that we are as effective and efficient as possible, and that we are continuously improving.

City services are delivered largely by City employees. Over 50% of the City's total costs relate to labour. It is vital that the City employ effective best practice techniques to recruit and retain employees, and to lead, direct, and motivate its workforce. Toward that end, the 2008 budget included funding for general wage increases as provided for in negotiated collective agreements, as well as additional amounts for staff development through training and education. As well, the City of Regina reviewed and enhanced out-of-scope salaries and introduced a merit based pay program. Finally, a Corporate Rewards and Recognition Program was launched.

The City is continuing to adapt following a corporate restructuring and significant changes in senior management staff. Labour market pressures have also affected the City's ability to recruit a full staff complement, creating pressure on existing staff. The effort to establish strategic priorities will ensure that administration is focusing their efforts on the most important things.

The 2009 General Operating Budget includes additional funding on an ongoing basis related to Ensuring Organizational Capacity and Effectiveness, including:

			2009 Full Time Equivalent Positions	
	Description	**2009 Cost**	**Permanent**	**Casual**
1.	Program and Service Communications	200,000	-	-
2.	Maintain Paratransit Staffing Levels	182,300	-	-
3.	Corporate Training - HRC and External Support	181,900	1.0	-
4.	Increased Overtime for Firefighters	125,000	-	-
5.	Protective Services Succession Planning	90,900	2.0	-
6.	Senior Community Planner and Community Planner I - Official Community Plan Review	89,400	2.0	-
7.	Facilities Reorg Phase I - Manager of Maintenance	82,700	1.0	-
8.	Additional Staff to handle the increase of business at the Landfill	75,000	2.0	-
9.	Manager of Financial Services	72,700	1.0	-
10.	Special Projects Coordinator	70,700	1.0	-
11.	Cemeteries Coordinator	67,500	1.0	-
12.	2009 Employee Survey	65,000	-	-
13.	Bylaw Standards Officer	61,400	2.0	-
14.	Annual Research Program to enable measurement for performance management and program and service development and evaluation	60,000	-	-
15.	Manager of Strategic Support	58,000	1.0	-
16.	Traffic - Flag Persons and Sign Maintenance	53,300	-	2.4
17.	Local 21 - Union President	50,000	1.0	-
18.	Senior Engineer in Roadways Operations to improve efficiency and effectiveness in alley maintenance and cut program	50,000	1.0	-
19.	Recruitment - HRA's and Administrative Support	46,000	1.0	-
20.	Design & Admin of Urban Highway Connector Program	42,300	1.0	-
21.	Project Management Analyst	37,900	1.0	-
22.	Web - Management of the City's website including policies, procedures and standards	37,500	1.0	-
23.	Junior Marketing Coordinator	35,000	1.0	-
24.	Access to Information and Privacy Coordinator	32,700	1.0	-
25.	Residential Building Inspector	30,300	1.0	-
26.	Business Process Improvement Capacity in Public Works	23,000	1.0	-
27.	Mosaic Stadium Post Event Clean-up	21,400	-	0.5
28.	City Hall Vacation/Sick Time Coverage	18,600	-	0.5
29.	Clerk Typist III for increase of Bylaw Standards Officers	17,100	1.0	-
30.	Conferences, Seminars and Travel to support the training and development of increased Human Resources staff	16,000	-	
31.	Protective Services Training - Flashover Replacement	15,000	-	-
32.	Cost of Administering the Tree Pruning Program on Alleys	9,500	-	-
		2,018,100	25.0	3.4

The 2009 General Operating Budget includes the following funding on a one-time basis for 2009 related to Ensuring Organizational Capacity and Effectiveness:

			2009 Full Time	
	Description	2009 Cost	Permanent	Casual
1.	Transit Campus Express Service: Phase I - Jan-May/09	350,000	-	-
2.	Transit Campus Express Phase II - Sep-Dec /09	315,000	-	-
3.	Strategic Innovation Funding	200,000	-	-
4.	Official Community Plan (OCP) - Consultant Studies	175,000	-	-
5.	Recruitment - HRA's and Administrative Support	137,600	-	2.1
6.	Board of Revisions - 2009 Reassessment	136,500	-	-
7.	Legal Services for Office of the City Manager	120,000	-	-
8.	Models to bridge gaps and/or capacity challenges	110,000	-	-
9.	Manager of Financial Services	103,700	-	1.0
10.	2008 Clothing Commitment for Firefighters	95,600	-	-
11.	Protective Services Department Technology Support	83,400	-	-
12.	Paratransit Quality Assurance Officer	59,400	-	1.0
13.	Protective Services Training - Flashover Replacement	55,000	-	-
14.	Project Management Analyst - Infrastructure Deficit	54,300	-	1.0
15.	Corporate Customer Service Training	50,000	-	-
16.	Business Process Consultant	49,000	-	-
17.	Protective Services Consultant	47,000		-
18.	Furniture Costs Related to New Positions	45,000	-	-
19.	Facilities Reorg Phase I - Coordinator of Life Safety and Security	44,600	-	1.0
20.	Aboriginal Co-op position for the Diversity Program	40,000	-	-
21.	PAIID Project - Clerk	40,000	-	1.0
22.	Database Administrator - Infrastructure Deficit	38,600	-	1.0
23.	Urban Aboriginal Leadership Program and Crime Prevention Week	37,000	-	-
24.	Rewards and Recognition	35,000	-	-
25.	Programmer Analyst II	28,600	-	1.0
26.	Protective Services Succession Planning	7,500	-	-
27.	Senior Engineer	5,000	-	-
28.	Design & Admin of Urban Highway Connector Programs	5,000	-	-
29.	Business Process Improvements	1,700	-	-
30.	Golf Course Leadman	-	0.3	(0.3)
31.	Facilities Conversion of Casual FTE's to Permanent FTE's	-	5.0	(5.0)
		2,469,500	5.3	3.8

Municipal Revenues

Regina has seen a significant improvement toward diversifying its revenue streams in 2009, with the establishment of the Municipal Operating Grant program from the Provincial government. This program was developed in consultation with both urban and rural municipalities, and reflects a more predictable and sustainable revenue stream that is linked to the economic growth of the Province. This program is based on municipalities receiving a grant equivalent to 1/5 of provincial PST revenues, and increasing or decreasing based on annual changes in this source of provincial revenue. In 2009, this program has been calculated at 90% of one point of the 5% PST, and will grow to a full 100% in 2010. Of the total municipal pool, municipalities receive a 46% share, which is at the low end of the negotiated range of between 46% and 50% of the pool of funding. Currently, Saskatchewan municipalities represent approximately 55% of the total provincial population and continue to see growth from provincial in-migration.

Reliance on Property Taxes

While the change in provincial funding represents a very positive step forward for the City of Regina and other Saskatchewan municipalities, a significant reliance on property taxes still limits the ability to deal with a growing community and address the ever-widening infrastructure gap.

> *"Whether one lives in a large metropolitan centre, a medium-sized city, a small town, or even the rural countryside, property taxes are often one of the hottest local issues of the day. On one side of the street stand residents and business owners who complain that property taxes are too high and the property tax burden is growing too rapidly. On the other side of the street stands the municipal administration responsible for delivering local services. They understand that property tax revenue does not always grow alongside the broader economy and incremental increases are sometimes required to cover the costs of inflation, accommodate a growing population, and simply maintain service levels never mind increasing overall revenue in real terms."*
> Problematic Property Tax, Canada West Foundation, November 2008

There has been a significant amount of research on different taxing options, and through this research and analysis one fact remains clear: property taxes are an inelastic source of revenue that does not generally grow with the economy. In addition, this revenue source does little to capture the cost of providing services to those living outside the community who make use of City infrastructure and services. Cities are becoming more advanced in their approaches to governance and remain the most transparent and accessible form of government. With this in mind, Cities should be allowed to undertake taxing policy innovations that will assist in addressing these issues more directly; however, the legislative authority does not currently exist to allow for this innovation to take place. As Regina continues to grow, and replacement of ageing infrastructure continues to require a larger allocation of revenue, dialogue with the Provincial and Federal governments will continue to be required. It is important that all levels of government work together in addressing the needs of cities, as they continue to be the growth engines of both the provincial and federal economy.

Competitiveness of Regina's Municipal Taxes

Regina has made significant strides in increasing the competitiveness of its municipal tax bill for both residential and commercial properties.

Despite this progress, the City continues to face challenges with respect to perceptions about the level of property taxes in Regina as compared to other cities, as well as the relative share of education funding on the property tax base. Each year the City of Edmonton conducts a property tax survey. The survey compares the property taxes on a sample property, and also collects information on the total property and business taxes collected.

Points to note with respect to the per capita tax information are:

- **For municipal and other property taxes (excluding school taxes) per capita, Regina ranked 9th out of 24 cities.**

2007 Tax Level on Sample Home – Total Municipal Tax Levy

		Total 2007 Tax Levy			
City	**Province**	**Municipal**	**Other(4)**	**Total**	**Rank**
Calgary	Alberta	945	-	945	1
Medicine Hat	Alberta	991	15	1,006	2
Edmonton(6)	Alberta	1,131	-	1,131	3
Red Deer	Alberta	1,217		1,217	4
Surrey (2)	British Columbia	1,022	230	1,252	5
Winnipeg (5)(6)	Manitoba	1,275	-	1,275	6
Saskatoon (5)	Saskatchewan	1,168	131	1,299	7
Lethbridge	Alberta	1,295	22	1,317	8
Regina (5)	**Saskatchewan**	**1,265**	**140**	1,405	9
Burnaby (2) (3)	British Columbia	1,264	262	1,526	10
Halifax(6)	Nova Scotia	1,366	164	1,530	11
St. John's	Newfoundland	1,540	-	1,540	12
Grande Prairie	Alberta	1,576	9	1,585	13
Victoria (2)	British Columbia	1,627	388	2,015	**14**
Vancouver(2) (3)	British Columbia	1,685	412	2,097	15
Toronto(6)	Ontario	2,143	-	2,143	16
Saint John	New Brunswick	2,165	-	2,165	17
Laval	Quebec	2,200	-	2,200	18
Montreal	Quebec	2,279	-	2,279	19
Fredericton	New Brunswick	2,319	-	2,319	20
London	Ontario	2,233	141	2,374	21
Ottawa	Ontario	2,383	-	2,383	22
Brampton	Ontario	1,269	1,386	2,655	23
Hamilton	Ontario	2,704	-	2,704	24

Notes:

1. *The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.*
2. *Grant is $570 for school levy for homeowners with age 64 years or under and $845 for senior citizens or handicapped.*
3. *Based on the averaged value of single-family houses, which may not correspond to the sample house described above.*
4. *Other includes regional and other tax levies.*
5. *Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.*
6. *Based on the median value of single detached houses; which may not correspond to the sample house described above.*

- **For the total tax levy per capita, Regina is 15th out of 24 cities.** For this calculation, the total tax levy includes property, education and business tax. Several of the cities (St. John's, Edmonton, Calgary and Winnipeg) levy a business tax.

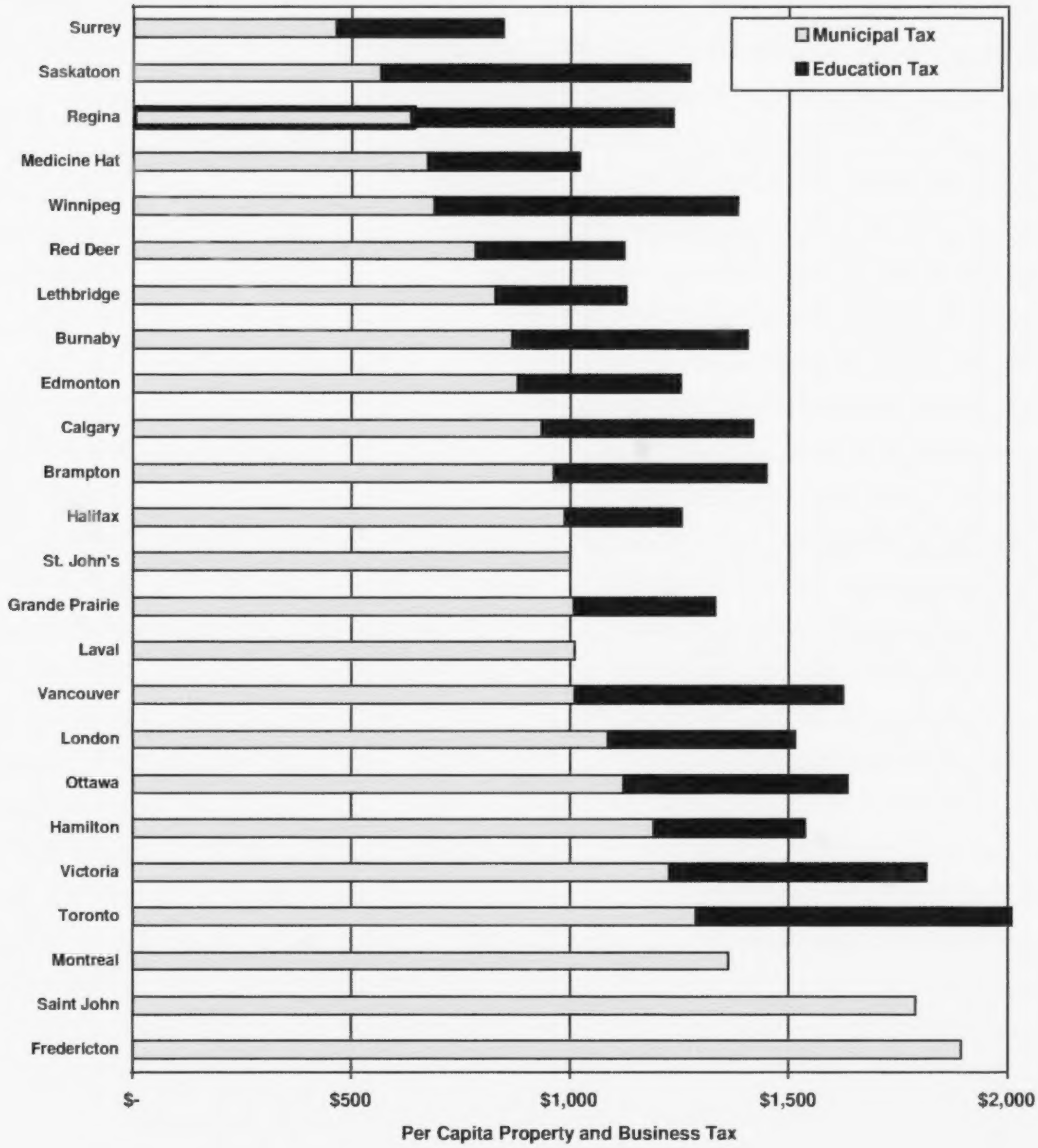
2007 Tax Level on Sample Home – Total Tax Levy

		Total 2007 Tax Levy						
City	**Province**	**Municipal**	**School**	**Other(4)**	**Total**	**Grants /Credits**	**Net Property Tax**	**Rank**
St. John's	Newfoundland	1,540	-	-	1,540		1,540	1
Surrey (2)	British Columbia	1,022	910	230	2,162	570	1,592	2
Medicine Hat	Alberta	991	659	15	1,665		1,665	3
Calgary	Alberta	945	844	-	1,789		1,789	4
Edmonton(6)	Alberta	1,131	681	-	1,812		1,812	5
Red Deer	Alberta	1,217	615		1,832		1,832	6
Lethbridge	Alberta	1,295	568	22	1,885		1,885	7
Burnaby (2) (3)	British Columbia	1,264	962	262	2,488	570	1,918	8
Winnipeg (5)(6)	Manitoba	1,275	1,254	-	2,529	525	2,004	9
Halifax(6)	Nova Scotia	1,366	622	164	2,152		2,152	10
Saint John	New Brunswick	2,165	-	-	2,165		2,165	11
Grande Prairie	Alberta	1,576	601	9	2,186		2,186	12
Fredericton	New Brunswick	2,319	-	-	2,319		2,319	13
Victoria (2)	British Columbia	1,627	895	388	2,910	570	2,340	14
Regina (5)	**Saskatchewan**	**1,265**	**1,308**	**140**	**2,713**	**131**	**2,582**	**15**
Saskatoon (5)	Saskatchewan	1,168	1,626	131	2,925	163	2,762	16
Laval	Quebec	2,200	627	-	2,827		2,827	17
London	Ontario	2,233	488	141	2,862		2,862	18
Vancouver(2) (3)	British Columbia	1,685	1,347	412	3,444	570	2,874	19
Montreal	Quebec	2,279	705	-	2,984		2,984	20
Ottawa	Ontario	2,383	676	-	3,059		3,059	21
Toronto(6)	Ontario	2,143	961	-	3,104		3,104	22
Hamilton	Ontario	2,704	581	-	3,285		3,285	23
Brampton	Ontario	1,269	752	1,386	3,407		3,407	24

- **Regina's per capita taxes are lower than the average of the 24 cities for all per capita tax measurers other than education taxes per capita.**

The next graph provides information on the per capita property and business taxes (municipal and education) for the cities that participated in the 2006 City of Edmonton Tax Survey

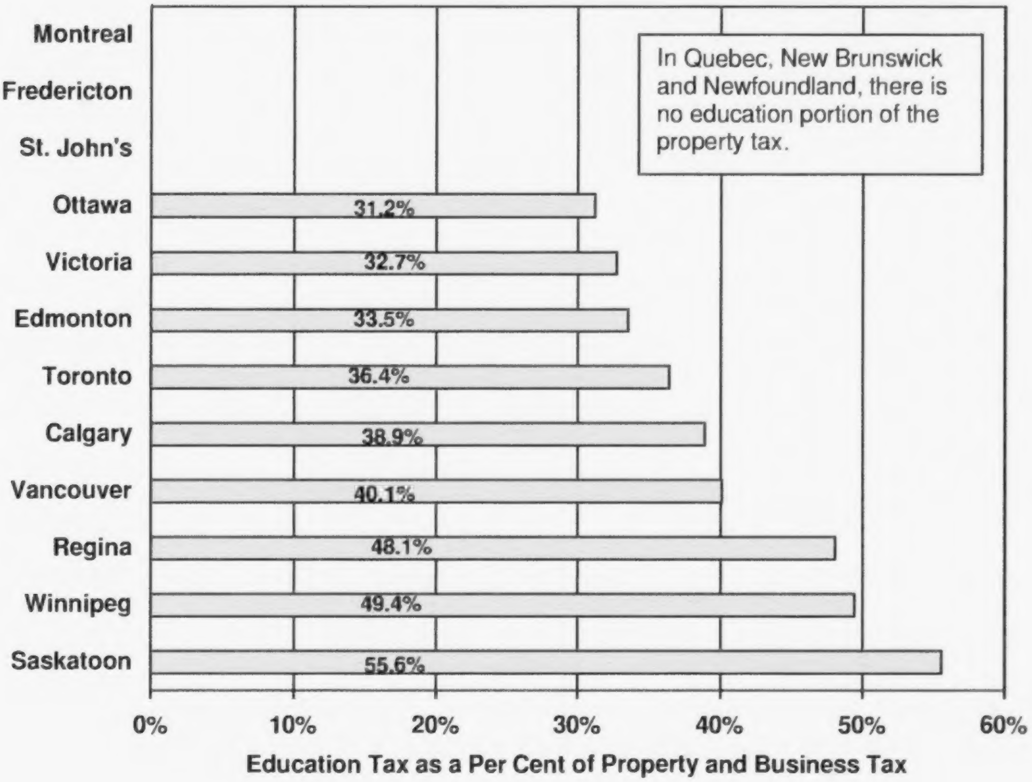
Per Capita Property and Business Tax
(Data from 2006 City of Edmonton Tax Survey)



Historically, one challenge for the City has been the relatively high levels of education tax in Saskatchewan compared to other provinces, as well as the lack of understanding regarding the portion of the property tax bill levied by the City of Regina. **For education property taxes per capita, Regina ranked 22nd out of 24 cities, with Saskatoon at 24th.**

In Saskatchewan, the education share of property taxes was higher than other provinces, creating added pressure on property tax levels. The portion of local taxes (property tax and for some cities a business tax) used to fund education costs varies significantly from city to city. The following graph compares the percentage of the total property and business tax dedicated to education in various cities. The information is taken from the 2007 City of Edmonton Tax Survey. The most recent changes in the 2009 Provincial budget should assist in improving this comparison for 2009 and beyond.

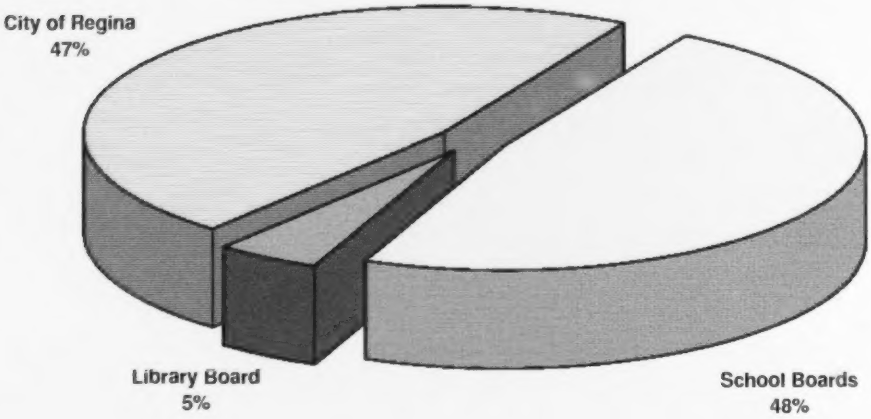
Education Share of Property and Business Taxes – 2007



In Quebec, New Brunswick and Newfoundland, there is no education portion of the property tax.

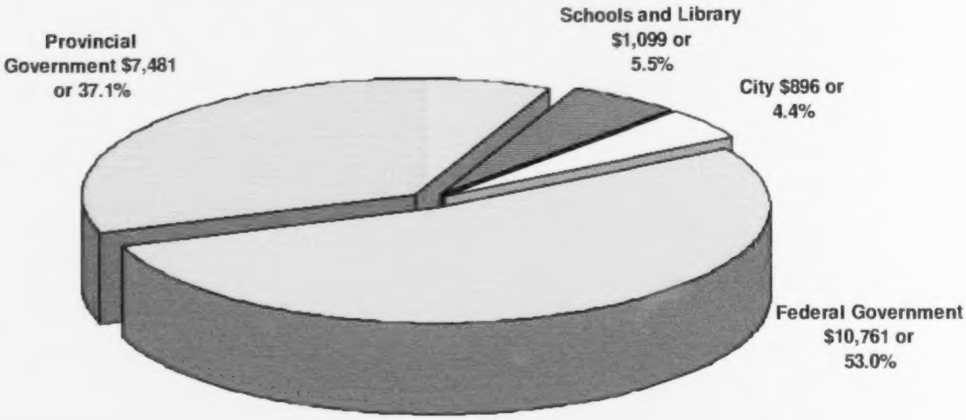
The next graph shows the distribution of property taxes in Regina for 2008.

Distribution of Property Taxes – 2008



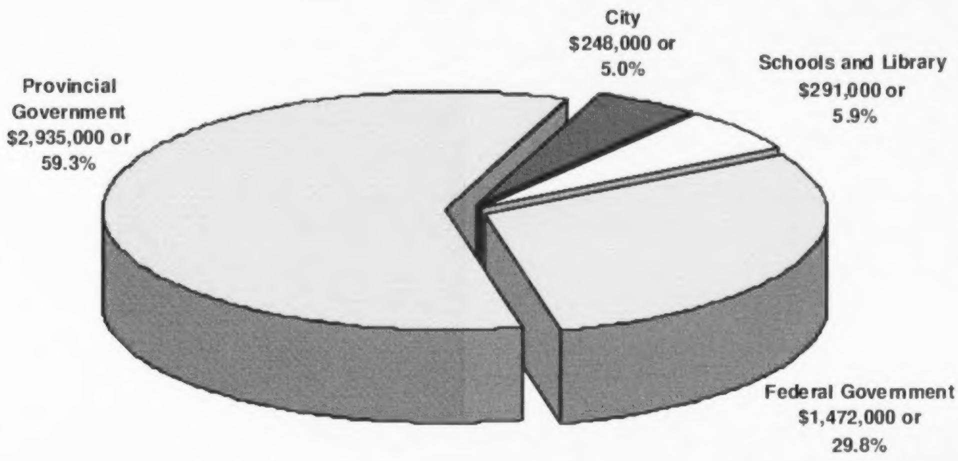
There is also a general lack of understanding about the distribution of taxes collected by the various levels of government. Governments rely on taxes as their major source of revenue. The next two graphs provide background information on the distribution of taxes between the various levels of government. The following graph is from a report prepared for the City of Regina by SaskTrends Monitor. The distribution of taxes is for Regina residents (for a household), and does not reflect the taxes paid or generated by commercial activity.

Distribution of Taxes Paid by Regina Residents
(Taxes per household of $20,237 – 2000 Data)



The next graph is from another report prepared by SaskTrends Monitor for the City of Regina. The report estimated the ongoing taxes generated by a major retail development.

Distribution of Ongoing Taxes - Sample New Retail Development
(Total Taxes of $4,946,000)



Electrical and Natural Gas Revenues

External revenues such as gas and electrical revenues account for about 14% of total revenues. The City has no control over these revenues as the Province also sets gas and electrical rates. These rates are the major determinant in the level of gas and electrical revenues received by the City. While recent rate increases have added to City revenues, the markets are extremely volatile, and rate increases increase the costs for residents and businesses in Regina. For 2009, electrical and natural gas revenues are projected to increase by about $3.1 million.

Licenses and Levies

Under the provisions of The Cities Act, the City is limited to charging license fees only to the extent that the fees cover costs. Recent license fee increases, such as those approved for business licenses in 2007 and animal control effective January 1, 2008 have been important in providing revenues to cover the costs of administering the license regime. But these revenues are not available to be used for other sources.

Similarly, certain service and user fees are limited only to the cost of providing those services.

Tax penalties have also decreased in recent years as the City has made strides in reducing tax arrears. Arrears as a percentage of the total tax levy dropped from 3.32% in 2002 to 1.5% at the end of 2007.

Provincial and Federal Operating Grants

Operating grants from the Provincial and Federal Governments account for 8.8% of 2008 revenues. Efforts of organizations such as the Federation of Canadian Municipalities, the Conference Board of Canada and the Canada West Foundation have helped to inform and advance recognition of the need for strategic investment in cities so they can fulfil their potential as engines of sustainable national growth. Federal capital programs such as the gas tax funding and the Public Transit Trust funding are providing much needed assistance to the City in addressing infrastructure requirements.

This year, the Provincial Government created the Municipal Operating Grant (formerly known as the revenue sharing agreement), which will see $25.9 million in funding for operating costs go to the City of Regina. Because property taxes do not generally grow with the economy, this PST-based grant, will help our City to keep pace with our growing economy.

All municipalities in Saskatchewan received a share of this grant. The total figure for money going to the municipalities is 90% of one point of the PST for 2009 and 100% of one point of the PST for 2010. As one of the two large urban centres in Saskatchewan, Regina receives roughly one-third of the total municipal pool of funding.

In addition, the City will benefit from $19.5 million in one-time funding for the capital budget through MEEP (Municipal Economic Enhancement Program). The City will also receive $11.1 million from the Federal Government as a share of Gas Tax revenues.

Expenditure Challenges

Each year, City Council must consider the level of expenditures to fund programs and services, including the capital requirements related to those programs and services. Expenditure challenges include:

- **Growth in the Community**. While it is generally perceived that any increase in expense resulting from the physical growth of the city would be covered by additional tax revenues, that is not the case. There are required increases in the budgeted operating expenditures for areas such as waste collection and additional open space. But the most significant impact on the budget from growth is in the area of capital requirements for road network improvements.

- **Increases in salary and benefit costs.** The collective agreements for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and the International Association of Fire Fighters Local 181) expired at the end of 2006. The City has concluded all negotiations. Those settlements reflect the higher labour costs seen in other public sector organizations as well as across the labour market in general. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada.

- **Education and Training Costs.** The City has experienced significant turnover for the past three years in all areas and levels of the organization. This equates to additional training and development requirements to ensure staff are able to perform required duties of their new position. To align with the Corporate Strategic Plan, the City has developed a Corporate Customer Service Strategy and training designed for all employees to take during 2009.

- **Increases in the price of fuel, asphalt, electricity and construction and engineering services** have exceeded the general inflation rate.

- There are also cost pressures as a result of **changing community interests, regulatory requirements, standards and expectations.**

- **Many local arts, cultural, sporting, community and charitable organizations are faced with fiscal pressures.** There has been an increase in the number of organizations seeking support through tax exemptions or capital or operating grants.

- **There continues to be a significant "infrastructure gap".** As outlined in the 2009 – 2013 General Capital Investment Program document, the City has identified a significant funding shortfall in its infrastructure requirements over the next ten years. Continuing delays in addressing the infrastructure gap will cause that gap to continue to grow.

- **The City has significant unfunded liabilities for vested sick leave, accumulated vacation credits, service pay and banked overtime**. At the end of 2008, the liabilities for these costs were estimated at $27 million ($23 million at the end of 2007). As a growing proportion of the City's workforce reaches retirement age, the cash flows required to pay off this liability will grow. Demographic trends indicate there will be a significant cash flow impact over the next few years. Divisions are required to absorb these costs in their existing budgets.

- **The City has significant unfunded liabilities for pension and benefit plans**. The City is not required pursuant to accounting standards to account for a liability with respect to multiple employer pension and benefit plans such as the Civic Pension Plan and the Long Term Disability Plan, however, the liability is significant. The employers' contribution is increasing in 2009 to meet existing liabilities following a significant drop in financial markets in 2008. These rates remain relatively high and contribute to pressures both in terms of contribution costs and in the recruitment and retention of employees.

- **Overall, the community supports the level of most City services and has a high rating for the services provided. *(City of Regina 2008 Omnibus Survey)* Regardless of these ratings, there are two realities the City faces:**

    - On those occasions when the City considers the elimination or a reduction in an existing service level, there is typically a segment of the community opposed to the change.

    - Some in the community are of the view that expenditures can be reduced. However, most individuals or groups are not willing to reduce expenditures on the services they use. All those in the community do not use every service provided by the City, but all services are used by a segment of the community.

Budget Options

Faced with a gap in revenues and expenditures, there are limited long-term options for City Council. These include:

- **Increase the revenue generated.** The increase can be for existing revenue sources, external contributions from senior governments or other sources, or through the authority for new alternative sources of revenue.

- **Decrease expenditures** through one or more of the following approaches:

    - Eliminate a service or reduce the level of service provided.
    - Reduce the cost of providing the service, either through reducing the costs of wages, goods and services to deliver the service, or through considering alternative service delivery, including contracting with external parties to provide the service.
    - Reduce the current contribution to capital, using debt for capital projects with long-term benefits so that the benefit and cost is shared over the long term.

Over the past number of years, the City of Regina, along with the other cities in the province, has requested authority for alternative revenue sources. Potential new revenue sources are a local fuel tax, a local vehicle surcharge, a share of gaming revenues, a hotel tax and a local sales tax. Cities in other provinces have pursued new revenue sources. Implementation of such authority would require legislative change.

City Council has limited choices, other than through an increase in the mill rate to generate additional revenue. For many revenue sources, City Council has no control over the revenue generated.

City Council does have a choice to reduce expenditures. There are, however, certain realities to consider:

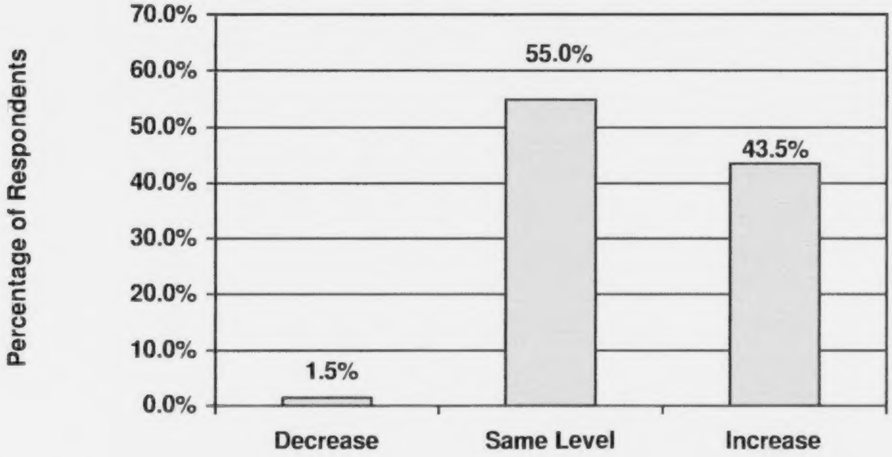
- A reduction in expenditures will result in either a reduction in direct services to the public, or a reduction in activities that support the provision of services to the public.
- A reduction in expenditures will in most instances lead to a reduction in staff. Salaries and benefits are the largest portion of the operating and capital budgets.

If there are significant expenditure reductions to be made, it will take time (and some cost) to implement the reductions. There is likely a period of 6 to 12 months before the full benefit of expenditure reductions would be achieved.

- The Core Services Review has identified $5.1 million in savings since 2005. While the review's recommendations continue to be implemented on an ongoing basis, the opportunity for significant savings on a short term basis is reduced.

The City of Regina's 2007 Omnibus Survey indicated that generally, Regina residents appear content with the level of services provided to them, with the majority (55%) suggesting the status quo for service level. However, 43.5% of respondents would support increased services, an increase of almost 10% over the past two years. Only 1.5% would favour a decrease in services, and only seven respondents suggested a specific service to be dropped.

Do you think the City should increase services, decrease services, or keep them at the same level?
(City of Regina's 2007 Omnibus Survey)



Budget Risks

It is important that budget choices are sustainable. From a fiscal perspective, the key consideration for City Council is the extent that the budgets are funding ongoing expenditures with ongoing revenues, and matching one-time or limited term expenditures with one-time revenues or funding sources. To the extent that budgets do not fully fund planned expenditures, or ongoing expenditures are being funded with one-time revenues, Council is shifting the budget burden to future years.

There are budget risks for 2009. These include:

- Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2009 due to these factors.
- There is some risk that assessment appeals will reduce actual tax revenue during 2009.
- Some funding sources available in this budget, such as the $19.5 million received from the Province and the $5 million 2008 surplus, are one-time money.
- Inflationary pressures from the Western Canadian construction market may undermine the spending power in the budget.
- The City has significant unfunded liabilities for sick leave and vacation which are payable upon termination of an employee. These amounts are not budgeted for and are typically covered through savings from staffing vacancies.

Financial Policies and Performance Measures

Municipal governments do not exist to make a profit but to provide services to citizens. However, budgets should be evaluated to a certain extent with regard to the impact they have on the government's financial condition.

Specific financial performance measures for governments have not yet been fully developed. However, the Public Sector Accounting Board has begun to develop guidelines that citizens can use to evaluate their government's financial position. The following information reflects the Statement of Recommended Practices.

For governments, financial condition can be evaluted based on three factors:

Sustainability

> Sustainability is the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the relative debt or **tax burden** on the economy within which it operates.

Measures of sustainability include ratios such as:

- assets to liabilities
- financial assets-to-liabilities
- net debt to total annual revenue

Municipalities typically address strategies regarding sustainability through debt policy, including maximum ratios for debt servicing costs as a percentage of operating revenues and per capita debt levels.

Flexibility

> Flexibility is the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

Measures of flexibility include the following ratios such as:

- Debt charges-to-revenues
- Net book value of capital assets-to-cost of capital assets
- Own source revenues to taxable assessment

General-purpose reserves – that is, those not linked to specific future needs – are the primary tool that municipalities use to be prepared for unforeseen circumstances and to take advantage of opportunities.

Vulnerability

> Vulnerability is the degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

One measure of vulnerability is the ratio of revenues from other orders of government to a City's own-source revenues. Others would take into consideration significant operating revenues from single sources, such as one taxpayer that makes up a significant portion of a municipality's revenues.

A strategy to reduce vulnerability would be the diversification of revenue sources. While municipalities can do this to a certain extent by attempting to draw diverse businesses, the current limitations on alternative sources of revenue reduce the viability of such a strategy and have the impact of increasing the dependency on revenues from other orders of government and property taxes.

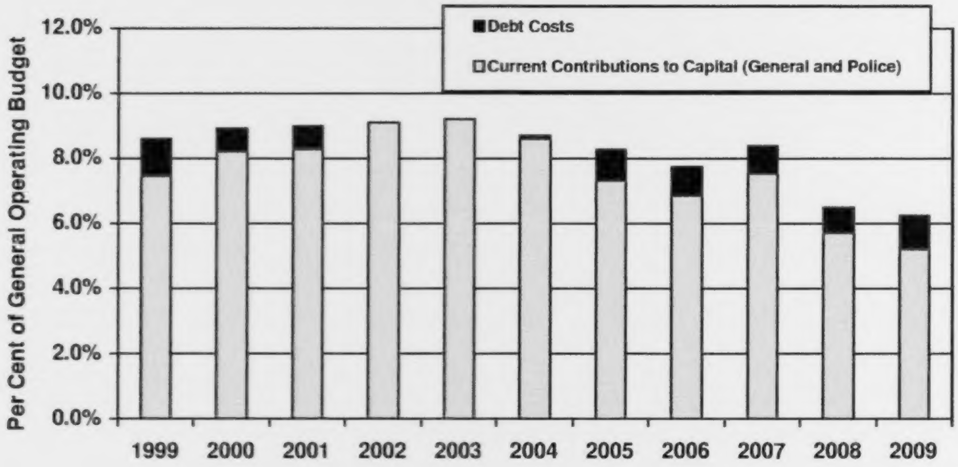
Long Term Financial Planning

During 2009, the Administration will continue to develop, for consideration by City Council, future financial plans which will assist in identifying specific areas of concern, best practices, and recommended policies, particularly those relating to the financial performance measures described above. Although work on all aspects of these plans are not yet complete, there are three areas for which some analysis is available:

Capital Requirements

The following graph shows the annual contribution to capital from the operating budget since 1999. It is clear that the challenge of providing capital from operating revenues has been difficult and will continue to be difficult.

Capital Funding From Current Operations – 1999 to 2009
(Per Cent of General Operating Budget)

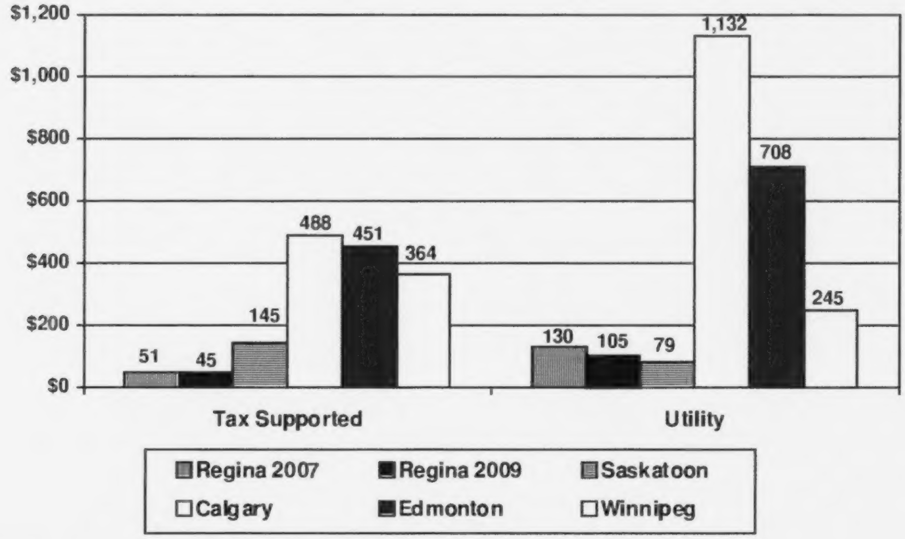


Debt Levels

Low debt levels provide flexibility and reduce vulnerability for a municipality. However, a municipality limited to strictly pay as you go financing for capital projects will be challenged to maintain sustainability, as it is difficult to raise sufficient funds in advance of requirements for infrastructure. The use of debt, like a mortgage, can allow a municipality to spread out the cost of capital investments over the period of benefit. Regina has relatively low levels of debt compared to other cities. With relatively low interest rates, more municipalities are increasing the use of debt as a method of financing infrastructure requirements.

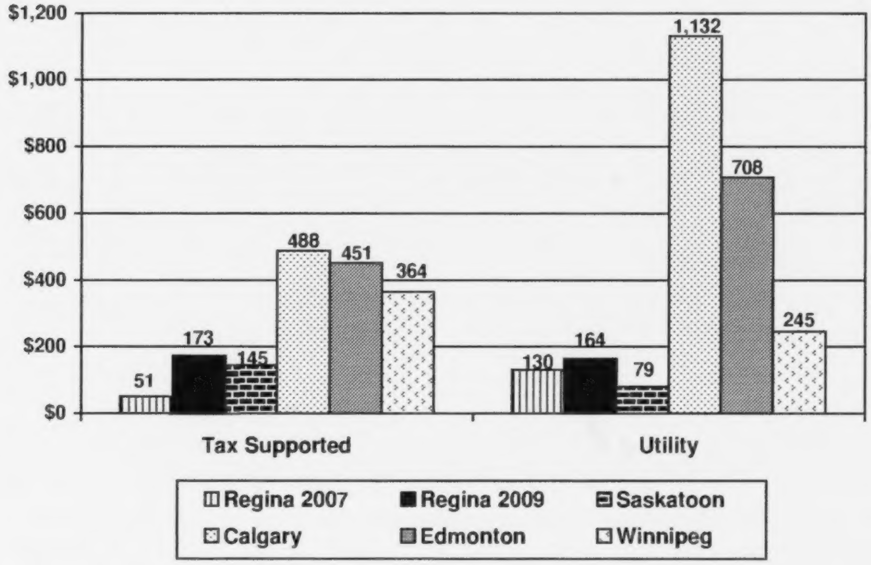
This graph shows Regina's projected debt levels assuming no additional borrowing for Capital:

Regina's Debt Levels – Comparisons to Other Cities
(per capita – Regina projected 2009 – other cities 2007)



The following graph shows Regina's projected debt levels with the $25.5 million in borrowing projected for 2009, including $20 million for Evraz Place, $5.5 million for other General Capital projects, and $16.0 million for Utility Capital Projects:

Regina's Debt Levels – Comparisons to Other Cities
(per capita – Regina projected 2009 – other cities 2007)



Reserve Levels

The City does not have extensive reserves. Although the 2008 ending balance in the General Fund Reserve was $25.7 million (including land sales) as a result of a number of one-time inflows, the City's overall level of reserves is relatively low compared to other Western Canadian cities.

The next table is a summary of the City's reserve balances for the last five years.

Reserve Balances ($000's)

	2004	2005	2006	2007	2008
General Reserves:					
General Fund Reserve	8,490	10,414	19,216	25,753	25,701
General Utility Reserve	6,981	5,118	7,020	13,870	8,556
Subtotal	15,471	15,532	26,236	39,623	34,257
Specific Purpose Reserves:					
Landfill Reserve	7,177	9,300	10,415	12,798	15,087
Equipment Replacement Reserve	2,409	1,353	371	358	171
Winter Road Maintenance Reserve	2,502	1,427	1,714	2,829	3,426
Social Development Reserve	1,075	948	679	499	1,999
Asset Revitalization Reserve	-	-	-	-	1,150
Other Reserves	2,475	2,448	2,646	4,367	5,649
Subtotal	15,638	15,476	15,825	20,851	27,482
Reserve Totals	31,109	31,008	42,061	60,474	61,739

Growth in certain reserves, such as the Utility and Landfill reserves in the past three years, reflects the planned approach to providing for future capital requirements. The 2009 – 2013 General Capital budget reflects significant capital funding to be provided from reserves to fund required infrastructure investment. As well, there is a requirement for significant funding from the General Fund Reserve for Industrial Land Development, as shown in the 2009 – 2013 General Capital Budget.

2008 Unaudited Results

The 2008 General Operating Budget results reflect the positive level of economic activity in Regina during 2008, as well as the significant organizational and environmental factors experienced over the past year.

Revenues (000's)	2008 Budget	2008 Actual	Variance	Percentage
Taxation	127,502.2	131,450.1	**3,947.9**	3.10%
Government Grants and Transfers	20,218.5	21,704.4	**1,485.9**	7.35%
Licenses, Levies and Fines	8,702.8	9,327.6	**624.8**	7.18%
Fees and Charges	30,165.1	34,215.1	**4,050.0**	13.43%
Other Revenue	49,079.2	49,544.5	**465.3**	0.95%
Total	235,667.8	246,241.7	**10,573.9**	4.49%
Expenditures (000's)				
City Council and Committees	1,414.3	1,269.9	**(144.4)**	(10.2%)
Community Investments	6,416.2	6,157.4	**(258.8)**	(4.0%)
Office of the City Manager	8,399.6	7,229.0	**(1,170.6)**	(13.9%)
Corporate Services Division	19,419.6	19,028.5	**(391.1)**	(2.0%)
Community & Protective Services	85,004.5	85,109.0	**104.5**	0.08&
Planning & Development Division	10,235.5	11,509.7	**1,274.2**	12.4%
Public Works Division	36,682.7	41,873.3	**5,190.6**	14.1%
Civic Operating Subtotal	167,572.4	172,176.8	**4,604.4**	2.7%
Capital Funding	15,272.5	15,264.9	**(7.6)**	0.0%
Police Department	52,822.9	53,796.2	**973.3**	1.8%
Total General Operating	235,667.8	241,237.9	**5,570.1**	2.4%
2008 General Operating Surplus		5,003.8		2.1%

The overall general operating surplus of approximately $5 million represents about 2.1% of total revenues.

Tax Revenues were $3.9 million greater than budget, primarily because of successful resolution of assessment appeals outstanding from 2005 combined with some additional assessment beyond the 2008 estimates.

A $1.5 million grant was unbudgeted, but received from Sask Housing Corporation for Social Development.

Licenses, Levies and Fines were about $625,000 greater than budget primarily because of increases in court fines.

Fees and Charges are $4 million higher due to higher ridership on transit, higher than budgeted Building Permit fees and higher usage of comminity service facilities.

Interest revenue was approximately $1.3 million higher than budget because of higher yields than budgeted in short-term investments.

The 2009 budget projections have been adjusted as required based on the 2008 actual results.

Total operating costs, including transfers to the Landfill Reserve and the Winter Road Maintenance Reserve, were approximately $7 million higher than the budget. Overall, salary and benefits were approximately $3.2 million less than budget because of vacancies.

Net revenues less expenditures and transfers to various reserves totalled approximately $5 million. The surplus, although primarily relating to one-time items, or for which new information has been incorporated into the 2008 budget projections, provides City Council with some flexibility in addressing the 2009 budget. The 2009 general operating budget proposes the use of a portion of the 2008 surplus as follows:

- $3.8 million to be used to fund one-time items in the 2009 general fund budget.
- $632,300 to be used to fund on-going items in the 2009 general fund budget, including $250,000 for additional Community Investments.
- $538,600 to be transferred to the Asset Revitalization Reserve to fund future capital requirements.

While work on the Long Term Financial Strategy is underway, and although specific targets for reserve balances have not yet been developed, a minimum General Fund Reserve Balance of $12.8 million would reflect 5% of General Operating Revenues.

Conclusion

The 2009 General Operating Budget provides the funding for significant progress towards achieving City Council's Vision:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

It has been developed with a focus on the strategic priorities identified in the Corporate Strategic Plan – Accelerating Excellence:

- Managing Growth and Community Development
- Strengthening City Infrastructure and Managing Assets
- Achieving Operational Excellence
- Ensuring Organizational Capacity and Effectiveness

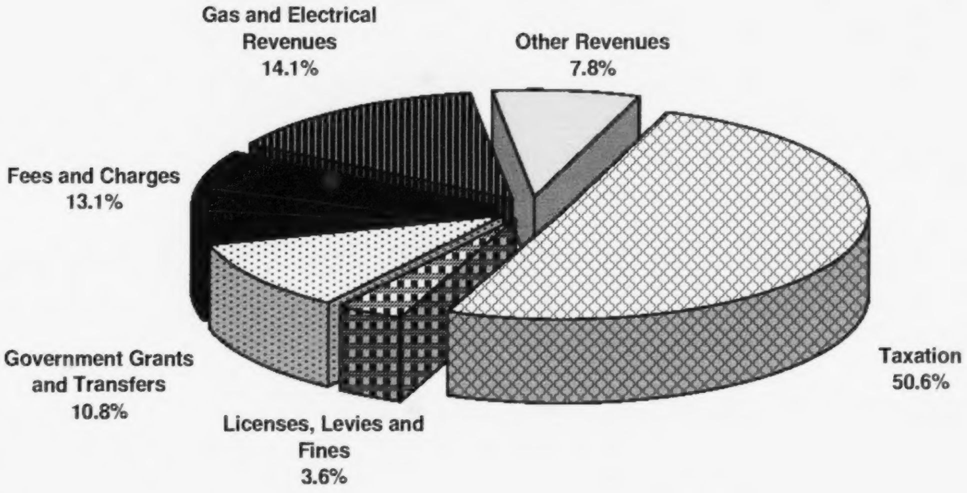
The 2008 General Operating surplus provides some flexibility to result in a zero mill rate increase and to strengthen the City's reserves to provide for future capital requirements. The funding grants received from the Provincial and Federal Governments permit the budget to be prepared without the issuance of new debt. Regina is in the midst of an exciting period of growth and the 2009 budget begins to address the needs of a growing city, while continuing to prioritize the City's long-term needs based on its fiscal capacity.

General Operating Revenues

Operating Revenue Summary ($000's)

Revenue Category	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	Per Cent Change
Taxation	127,502.2	131,450.1	**129,413.6**	1,911.4	1.5
Government Grants and Transfers	20,218.5	21,704.4	**27,650.5**	7,432.0	36.8
Licenses, Levies and Fines	8,702.8	9,327.6	**9,338.5**	635.7	7.3
Fees and Charges	30,035.1	34,215.1	**33,643.2**	3,608.1	12.0
Other Revenue	49,209.2	49,544.5	**55,998.3**	6,789.1	13.8
Total	235,667.8	246,241.7	**256,044.1**	20,376.3	8.6

2009 Operating Revenues



Highlights with respect to the 2009 revenue budget are:

- **The mill rate increase for 2009 is 0%.**
- **The 2009 Budget has been prepared including the increase to the Municipal Operating Grant Pool (former Revenue Sharing Grant) of $7.7 million to $25.9 million, as provided in the 2009/10 Provincial Budget.**
- **Gas and electrical revenues are projected to increase by $3.1 million.** The projected increase in electrical revenue is based on an increase in natural gas rates that occurred in October of 2008 and then adjusted for a 19% reduction in April 2009. There was also an increase in electrical rates. No further rate changes are assumed in the projections. The natural gas market is extremely volatile so significant variances may occur.

- **The transfer from the General Fund Reserve to the Operating Budget is $6,731,400**. The 2009 transfer includes:
    - $250,000 for the Junior World Hockey Tournament,
    - $20,000 for Government House,
    - $3,829,100 to fund 2009 Specials which will be transferred from the 2008 surplus, and
    - $632,300 to fund select 2009 Additions which will be transferred from the 2008 surplus.
    - $2,000,000 for assessment appeal risk.
- **The utility surplus transfer for 2009 is $5,436,300, an increase of $405,900 over 2008**. The budget retains a transfer of $675,000 from the Water and Sewer Utility related to the additional GST rebate implemented by the Federal Government in 2005.

The following table is a detailed list of 2009 revenue sources for the General Operating Budget. The table outlines the amount of revenue, along with an analysis of the factors that determine the revenue generated from those sources. For some revenue sources City Council controls one or more of the factors that determine the revenue generated, although there may be some restrictions in legislation or regulations. For some revenue sources (gas revenues, electrical revenues, interest earnings and government grants), City Council has no control over the revenue generated.

General Operating Revenues

Revenue Source	Factors Determining the Amount of Revenue	Does the City Control?	2009 Budget	Per Cent of Total	Cumulative Percentage
Property Taxes (including supplementary taxes)	Assessment Growth Mill Rates	No **Yes**	$ 118,208,600	46.2%	46.2%
Electrical Revenues	Formula for Transfers Electrical Rates Consumption	No No No	26,103,500	10.2%	56.4%
Government Grants and Transfers (includes Police & Lotteries)	Government Policy	No	27,650,500	10.8%	67.2%
Gas Revenues	Payment In Lieu Rate Natural Gas Rates Consumption	No No No	10,013,500	3.9%	71.1%
Grants-In-Lieu of Property Taxes	Assessment Growth Mill Rates Government Policy	No **Yes** No	8,725,000	3.4%	74.5%
Community and Leisure User Fees	Amount of Fee Amount of Use	**Yes** No	7,484,200	2.9%	77.4%
Waste Collection and Disposal Fees	Amount of Fee Amount of Use	**Yes** No	5,634,400	2.2%	79.6%
Transit and Paratransit User Fees	Amount of Fee Amount of Use	**Yes** No	6,087,300	2.4%	82.0%
Utility Surplus Transfer	Transfer Rate Calculation Base	**Yes** **Yes**	5,436,300	2.1%	84.1%
Interest Earnings	Interest Rates Cash Balances	No No	3,066,100	1.2%	85.3%
Fines	Fine Amount Number of Infractions Level of Enforcement	**Yes** No **Yes**	4,275,000	1.7%	87.0%

General Operating Revenues					
Revenue Source	**Factors Determining the Amount of Revenue**	**Does the City Control?**	**2009 Budget**	**Per Cent of Total**	**Cumulative Percentage**
Recovery of Administrative Costs (Utility, Pension Plans & BPWAB)	City Council Policy	**Yes**	3,329,800	1.3%	88.3%
Paved and Gravel Alley Special Tax	Levy Rates Alley Lengths	**Yes** No	3,284,600	1.3%	89.6%
Other Revenue or Fees	Amount of Fee Amount of Use	**Yes** No	9,980,000	3.9%	93.5%
Transfers From Reserves	Council Policy Availability of Reserves	**Yes** No	6,884,100	2.7%	96.1%
Recovery From Other Taxing Authorities (net of cancellations)	Transfer Rate Calculation Base	No No	1,680,000	0.7%	96.8%
Parking Meter and Permit Fees	Amount of Fee Number of Meters Amount of Use	**Yes** **Yes** No	2,746,100	1.1%	97.9%
Penalties on Taxes	Penalty Rates Outstanding Taxes	**Yes** No	1,165,000	0.5%	98.3%
Building Permit & Inspection Fees	Amount of Fee Number & Value of Permits	**Yes** No	1,100,000	0.4%	98.8%
Cemetery Fees	Amount of Fee Amount of Use	**Yes** No	922,500	0.4%	99.1%
Business and Taxi Licenses	License Fee Number of Licenses	**Yes** No	740,000	0.3%	99.4%
Amusement Tax	Tax Rate Ticket Prices Number of Tickets Sold	**Yes** No No	600,000	0.2%	99.6%
Planning and Development Fees	Amount of Fee Number of Applications	**Yes** No	488,700	0.2%	99.8%
Animal Control and Impoundment	Amount of Fee Number of Applications	**Yes** No	438,900	0.2%	100.0%
2008 General Operating Revenue			256,044,100	100.0%	

Each budget process involves choices with respect to costs (services provided, service costs and the method of service delivery), and the revenues available to fund the costs. Revenue choices include:

1. **Seek additional funding from the senior governments, or seek authority for new sources of revenue.** There are limits to the authority of City Council with respect to revenue options. The taxation authority for the City is limited to that provided in *The Cities Act*. The City's authority for taxes is essentially property tax, amusement tax and special taxes.

   There has been considerable discussion about cities obtaining a share of the fuel tax or other vehicle related revenues such as a vehicle surcharge. The Federal Government now provides municipalities 1.5 cents per litre of the Federal fuel tax starting in 2005, increasing to 5 cents per litre in 2009. Alberta, Calgary and Edmonton each receive 5 cents per litre for every litre of gasoline sold in the city. In Ontario, the Province provided 2 cents per litre in 2006.

City Council could seek additional grant funding from senior governments. The Province has increased funding through the Municipal Operating Grant Pool (former Revenue Sharing Grant) in the last three years.

An important consideration for Regina and other cities is whether it is preferable to seek additional grants or additional authority. There are significant short and long-term implications to each approach.

2. **Increase the mill rate.** The mill rate is the primary determinant for property tax revenue and grants or payments in lieu of property tax. The revenue from property tax does not increase in the same way that Federal and/or Provincial Government taxes increase. Taking the PST as an example, the revenue from PST is influenced by three factors:

   - Tax rate (currently 5% in Saskatchewan);
   - Growth in the tax base resulting from more goods and services being sold – essentially growth through an increase in the "volume" or the tax base; and,
   - Growth in the tax base as the cost of goods and services increases – essentially growth in the tax base through increases in "value or price".

   For property taxes, while the assessment base has growth each year due to the construction or renovation of buildings that generates new property taxes, there is no increase in property taxes from growth in the assessed value of properties based on market appreciation.

3. **New or increased user fees and charges, fines and license fees.** Significant rate decisions made in recent years that are reflected in the 2009 budget projections include:

   - A fee schedule (Bylaw 2007-54) for community and leisure services for the 2008 - 2010 period.
   - Increased landfill rates (Report CM07-157) for 2008 to 2011.

4. **Pursue alternative revenue options provided for in *The Cities Act* that are not currently used by the City of Regina.** Revenue options include:

   - The definition of a public utility [Section 2(cc)] includes waste management and street lighting services. During the 2002 budget process, the Executive Committee (Report EX02-15) considered the concept of a Waste Management Utility. The decision was made not to proceed with a utility. If a utility was implemented for waste management or street lighting, the cost of the services could be funded through a special charge rather than through general revenues.

     There are a number of municipalities that pay for waste collection and disposal through specific fees. The fee structures are typically either a flat fee irrespective of the amount of waste disposed, or use of a system such as the "tag a bag" system. The "tag a bag" concept could not be implemented in Regina for those portions of the city served by rear lane collection.

   - Section 8(3) of The Cities Act provides the authority for fees for licenses, inspections, permits or approvals. Section 8(4) of the legislation limits the license fees to the cost to the City for administering and regulating the activity and collecting the fees. While the City has many fees and charges, there may be opportunity for additional fees and charges. The total revenue increase available through new fees is likely minimal.

- Section 264 of The Cities Act allows the establishment of service fees in connection with any service provided by the City. The difficulty with the legislation is that to enforce collection of the fee, the only option is to discontinue the service. For some services, discontinuance may be an option, but for many services this is not an option.

- Section 275 of The Cities Act authorizes a council to pass a special tax bylaw to raise revenue to pay for any specific service or purpose to be completed within the current year. The special tax could apply to the entire city or a portion of the city. The tax rate can be applied based on the property assessment, the frontage of a property, the area of a property or to each parcel of property. The only special tax currently levied by the City is for costs related to the reconstruction and maintenance of alleys and lanes.

- Section 279 of The Cities Act authorizes an amusement tax. While the City currently has an amusement tax, the City has chosen to limit the tax to those attending a commercial movie theatre. The tax base could be expanded to other forms of entertainment where an entrance fee or admission is charged.

If new taxes or fees are implemented, there will be increased administrative costs. The cost may be modest if existing billing and collection processes can be used. If not, the administrative cost of a new fee or tax could be substantial.

Taxation

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Municipal Property Tax	116,859.9	120,109.3	**118,208.6**	1,348.7	1.2
Payments and Grants in Lieu of Tax	8,162.3	8,147.4	**8,725.0**	562.7	6.9
Total Property Tax	125,022.2	128,256.7	**126,933.6**	1,911.4	1.5
Supplementary Property Tax	800.0	968.8	**800.0**	-	-
Recovery from Other Taxing Authorities	2,080.0	2,242.4	**2,080.0**	-	-
Tax Cancellations	(400.0)	(17.8)	**(400.0)**	-	-
Total	127,502.2	131,450.1	**129,413.6**	1,911.4	1.5

The 2009 budget for property taxes and grants in lieu of property taxes is about $129.4 million, an increase of about $1.9 million over the 2008 budget. The key assumptions or factors that impact the budget are:

- 2009 is a reassessment year and the mill rate is restated to a revenue neutral mill rate.
- **There is no increase in the municipal mill rate for 2009**. The mill rate for 2008 was 18.9130, compared to 18.3907 for 2007. The restated revenue neutral mill rate for 2009 is 13.442. With no mill rate increase, tax revenues will increase by about $1.9 million.
- The 2009 preliminary tax assessment roll is $8,931,636,000. The assessment roll was reviewed for potential risk due to corrections and assessment appeals using preliminary information obtained from appeals filed by the deadline of February 2, 2009. The volume of appeals for 2009 is lower than prior reassessment years. Based upon the review of appeals received, there is a risk of reduction in the assessment of about $166 million. This would be equivalent to a reduction in tax revenues of about $2.6 million. There is some risk that the $2.6 million will not be sufficient. The actual reduction, including potential appeals outstanding at the end of the year, could be higher.

The following table details the property tax and grants in lieu of tax revenue (budget and actual) for the last five years. The property tax revenue includes supplementary taxes.

Tax Revenue ($000's)	**2004**	**2005**	**2006**	**2007**	**2008**
Property Tax:					
Budget	99,286.7	102,907.2	105,597.0	110,842.7	116,859.0
Actual	95,734.6	101,981.2	105,714.5	112,031.8	118,120.8
Variance	(3,552.1)	(926.0)	117.5	1,189.1	1,260.9
Grants In Lieu of Property Tax:					
Budget	7,739.4	7,739.4	7,467.2	7,936.9	8,162.3
Actual	7,574.2	7,574.2	7,550.1	7,894.8	8,147.4
Variance	(165.2)	(165.2)	82.9	(42.1)	(14.9)

As a result of assessment appeal decisions within the year and allowances for outstanding assessment appeals at the end of each year, there has been significant volatility in actual tax revenue as compared to budgeted revenues. **In two of the last five years, actual tax revenues have been less than the budget.**

Mill Rates and Mill Rate Factors

Mill rates and mill rate factors serve different purposes. The mill rate, applied to the taxable assessment (including the assessment of grant in lieu properties), determines the total tax generated. Mill rate factors determine the distribution of the taxes between groups of properties. The following table is the history of mill rates, including the mill rates for the Schools and Library, over the last ten years. There have been reassessments in 1997, 2001, 2005 and 2009. Whenever a reassessment occurs, the mill rate is recalculated such that there is no change in the total taxes levied as a result of the reassessment. The annual per cent change for 2001, 2005 and 2009 in the following table is based on the mill rate for the year in comparison to the restated mill rate for the prior year.

Mill Rate History

	Municipal		Schools		Library		Total	
Year	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**
1999	17.937	1.90%	20.189	1.90%	1.916	1.90%	40.042	1.90%
2000	18.176	1.33%	20.391	1.00%	1.935	1.00%	40.502	1.15%
2001	17.6549	-	19.5294	-	1.8795	-	39.0638	-
2002	18.4194	4.33%	19.7247	1.00%	1.9077	1.50%	40.052	2.53%
2003	18.6212	1.10%	19.7247	-	1.9745	3.50%	40.320	0.67%
2004	18.6212	-	19.7427	-	1.9745	-	40.338	-
2005	17.6987	4.00%	18.0264	-	1.8045	3.00%	37.5296	1.99%
2006	17.6987	-	18.5528	2.92%	1.9320	2.92%	38.1835	1.74%
2007	18.3907	3.91%	19.0166	2.44%	2.0267	4.90%	39.4340	3.17%
2008	18.9130	2.84%	19.7393	3.80%	2.1059	3.91%	40.7582	3.36%
2009	13.4420	-	*See Note 1*	-	1.4967	-	n/a	n/a
Average Increase - 1999 to 2009		**1.76%**				**2.06%**		

Note:

(1) The Provincial Government has announced changes to the way education costs are funded by the province and to the way that education property taxes are calculated for 2009.

- *The province now sets province wide mill rates to calculate the education tax for properties.*
- *The education tax credit program has been discontinued and education tax credits no longer apply.*
- *The province has changed the level of direct funding for school boards.*
- *The Province wide mill rates for 2009 are: Agricultural at 7.08, Residential (including Condominiums and Multi-family) at 10.08, Commercial & Industrial (tiered rates) – Assessment up to 499,999 at 12.25, Assessment of 500,000 to 5,999,999 at 15.75 and Assessment of over 6,000,000 at 18.55.*

Mill rate factors can be established by City Council for each property class or subclass. The factors change the distribution of the total tax levied but do not increase or decrease the total tax collected. The following table shows the mill rate factors since 2005.

Mill Rate Factors

Property Class/Subclass	2005	2006	2007	2008	2009
Residential (including condominiums)	0.83423	0.84113	0.84803	0.85494	0.89783
Multiple Family Residential	1.27557	1.19420	1.11284	1.03147	0.93390
Commercial and Industrial	1.34557	1.34557	1.34557	1.34557	1.22945
Exterior Hotels	n/a	n/a	n/a	n/a	n/a
Golf Courses	0.94826	0.94826	0.94826	0.94826	0.92187
Agriculture	1.34557	1.34557	1.34557	1.34557	1.22945

The Province announced that for 2009 there are changes to the funding of education and changes to the way property tax is calculated for the education levy. Province wide education levy mill rates are now set by property class with mill rate factors no longer applied to calculate the education portion of property taxes. Mill rate factors can still be applied to calculate the municipal and library property tax levies. The following table shows the 2009 education mill rates as set by the Province.

Property Class	2009
Residential (including condominiums)	10.08
Multiple Family Residential	10.08
Agriculture	7.08
Commercial and Industrial (Taxable Assessment less than 499,999)	12.25
Commercial and Industrial (Taxable Assessment is 500,000 to 5,999,000)	15.75
Commercial and Industrial (Taxable Assessment is greater than 6,000,000)	18.55

In 2004, City Council directed that a Tax Policy be implemented to bring all residential taxes to a single rate over a five-year period beginning in 2006. Prior to 2005, the relative tax rate for Multiple-Family residential versus Other Residential property was 1.44, or about 30% higher. 2009 is the fourth year of this phase-in to a single rate, with 2010 being the year in which the tax rates are equal. With the change to the education tax calculation for 2009 this policy now only impacts the municipal and library levies.

Property Assessment

Taxable assessment for a property is the fair value assessment determined in accordance with legislation and the Saskatchewan Assessment Manual multiplied by the provincial percentage set by the Province. For 2009, the provincial percentages are:

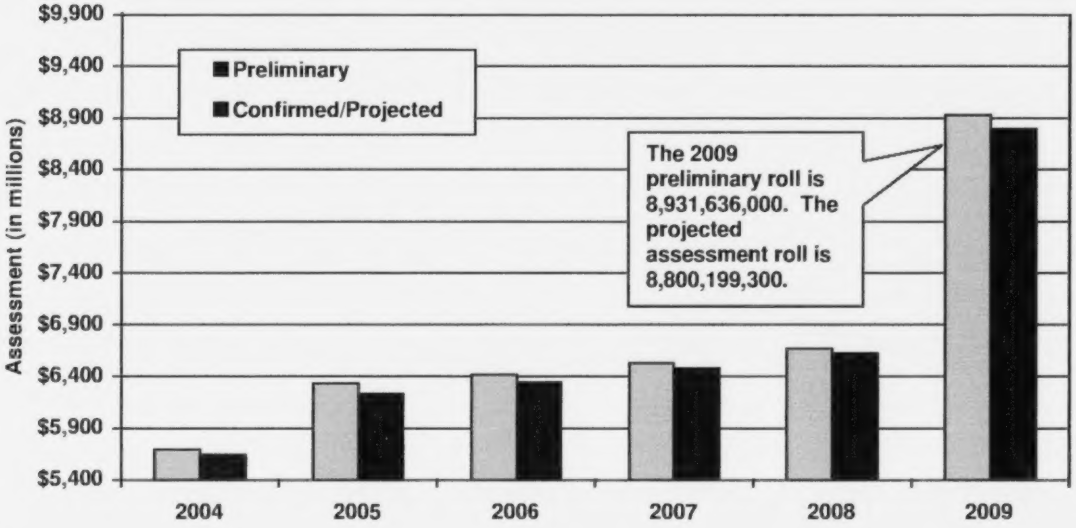
- 70% for all residential property, including condominiums and multi-unit residential property.
- 40% for non-arable land and 55% for other agricultural property.
- 75% for elevators, rail right of ways and pipelines; and,
- 100% for all other commercial and industrial property.

Each year an assessment roll is prepared. Every four years there is a province wide reassessment that updates assessments to a new base year. 2009 is a revaluation year that reflects a base date of June 30, 2006. Within 60 days from the "opening" of the assessment roll in a reassessment year, property owners have the right to file an assessment appeal. The first step of the assessment appeal process is an appeal to the Board of Revision. If any party to the assessment appeal is of the view that the Board of Revision erred in their decision, the party can appeal to the Saskatchewan Municipal Board Assessment Appeal Committee (SMBAAC). Once the SMBAAC renders a decision, parties to an appeal have the right to seek leave to appeal to the Court of Appeal with respect to a question of law.

Each year, there are changes to the assessment roll. This includes changes due to assessment appeal decisions of the Board of Revision and/or SMBAAC; additions to the assessment roll resulting from new construction or major renovations of property, the subdivision of property and zoning changes; and, deletions to the assessment roll, typically resulting from demolitions of property.

The total taxable assessment (including the assessment of grant in lieu properties) has been subject to significant change and uncertainty due to assessment appeals. The following graph highlights the variability between the preliminary assessment roll and confirmed assessment roll totals since 2004.

Property Assessment (Taxable and Grant-in-lieu)



The 2009 preliminary roll is 8,931,636,000. The projected assessment roll is 8,800,199,300.

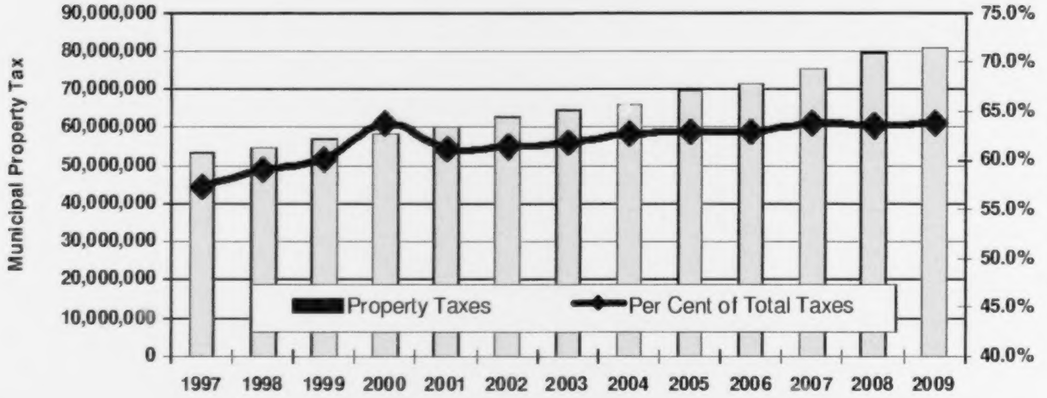
Note:
Assessments for 2002 – 2004 are valued with a base year of 1998. The 2005 – 2008 assessments are valued with a base year of 2002. The 2009 assessment is valued with a base year of 2006.

Often in recent years, due to the impact of assessment appeals and other assessment changes, the confirmed assessment roll is less than the preliminary assessment roll. The contingent liability for assessment appeals outstanding at December 31, 2008 is about $1.5 million. The risk is with respect to appeals for the years 2003, 2004 and 2006 to 2008. All 2005 appeals have been resolved.

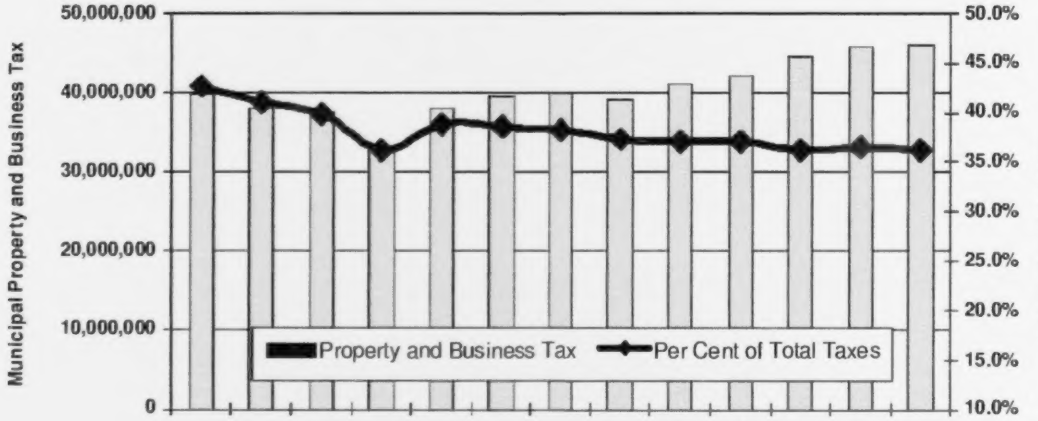
Tax Distribution

The next two graphs provide information on the changes in the distribution of taxes in Regina since 1997. The taxes are based on the confirmed assessment roll each year, net of phase-in adjustments and do not reflect allowances established at the end of the year for appeals, nor subsequent appeal decisions. The taxes for 2009 are based on the projected assessment. The graphs show the total taxes and percentage of total taxes since 1997.

Municipal Property Tax – Residential Properties



Municipal Property Tax – Commercial, Industrial and Other Properties



This graph includes grants-in-lieu of government and crown-owned properties. The trend has been a decrease in the proportion of total municipal taxes paid by commercial, industrial and other properties.

Government Grants and Transfers

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Municipal Operating Grant	18,196.9	18,196.9	**25,896.9**	7,700.0	42.3
Paratransit Grant	919.1	949.8	**919.1**	-	-
Other Grants:					
Mosquito Control Grant	277.5	287.1	**277.5**	-	-
Dutch Elm Disease Grant	20.0	22.5	**20.0**	-	-
Discount Transit Pass Grant	500.0	502.4	**500.0**	-	-
Urban Aboriginal Leadership Program	35.0	54.2	**35.0**	-	-
Cultural Capitals of Canada Grant	23.0	-	**-**	(23.0)	(100.0)
Core Sustainable Neighbourhood Feasibility Study	220.0	144.4	**-**	(220.0)	(100.0)
Crime Prevention Week	2.0	4.3	**2.0**	-	-
Crime Prevention Initiative	25.0	28.0	**-**	(25.0)	(100.0)
Sask Housing Corp Grants	-	1,500.0	**-**	-	-
Other Provincial / Federal Grants	-	14.8	**-**	-	-
Total	20,218.5	21,704.4	**27,650.5**	7,432.0	36.8

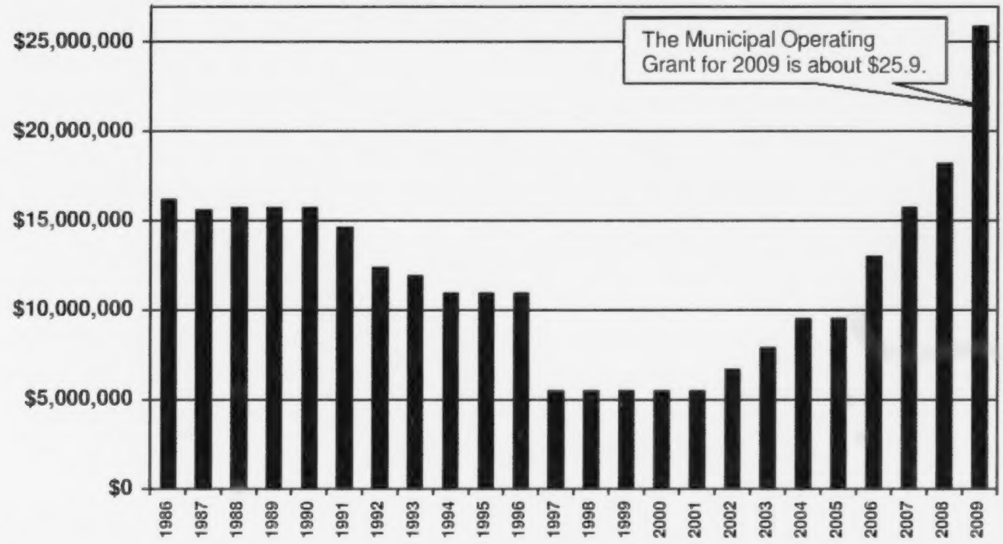
Municipal Operating Grant (former Revenue Sharing Grant)

For 2009, funding for Regina from the Municipal Operating Grant is approximately $25.9 million. This represents an increase of approximately $7.7 million, or 42.3%, compared to 2008.

The increases for 2005 to 2009 represent a significant step in addressing the fiscal imbalance that resulted from the reductions in revenue sharing that occurred during the 1990's. Throughout 2008, the Province worked closely with the municipal sector towards a new arrangement for municipal funding, and has developed a new formula for revenue sharing for 2009 and beyond.

The following graph shows the annual Municipal Operating Grant received by Regina since 1986:

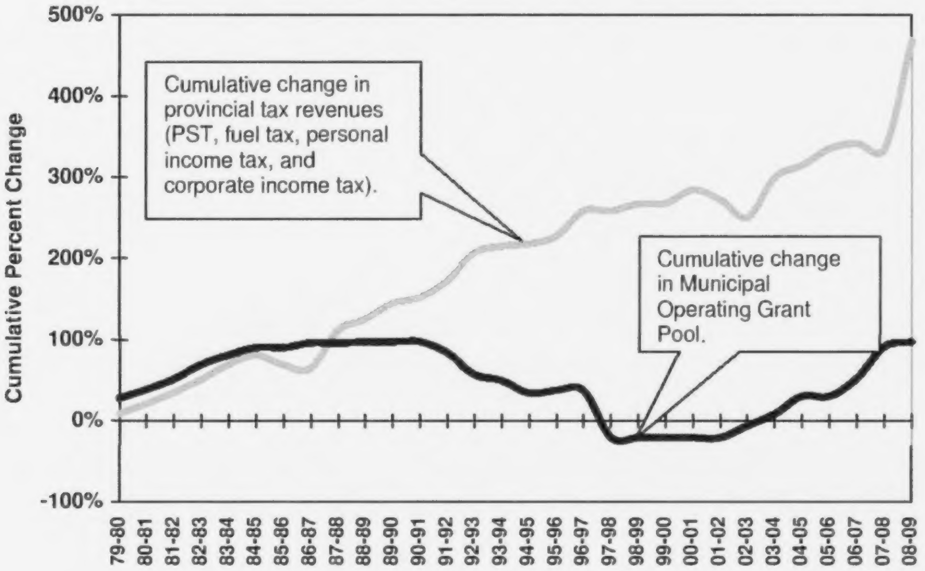
Regina's Municipal Operating Grant



The Municipal Operating Grant for 2009 is about $25.9.

Initially, the amount of funding in the Municipal Operating Grant Pool was linked to four provincial tax bases (retail sales, fuel, personal income and corporate income), with the size of the pool increasing or decreasing with the change in the tax base (not tax revenue). The following graph shows the increase in the Municipal Operating Grant Pool since the inception of the grant program, in comparison to the increase in tax revenue from the four provincial taxes initially linked to the Municipal Operating Grant Pool.

Provincial Tax Revenue and Municipal Operating Grant Pool



Cumulative change in provincial tax revenues (PST, fuel tax, personal income tax, and corporate income tax).

Cumulative change in Municipal Operating Grant Pool.

In 1990, the Municipal Operating Grant accounted for 11.1% of the total general operating revenue budget. In 2009 the grant accounts for 10.1% of the total general operating revenue.

The following table shows the distribution of the Municipal Operating Grant for urban and rural municipalities for 2009.

Distribution of Municipal Operating Grant

	2009	
	$ Million	**Per Cent of Total**
Urban Municipalities		
Regina	25.89	16%
Saskatoon	29.23	18%
Other Cities	51.88	31%
Urban Municipalities Subtotal	107.00	64%
Rural Municipalities	48.00	29%
Northern Communities	12.00	7%
	167.00	100%

Paratransit Grant

For 2009, the **Paratransit Grant** is projected to be $919,100, as the number of paratransit trips provided in 2008 decreased. The 2009 grant is not final and could change as a result of the final calculation by the Province.

The Province's Municipal Transit Assistance for People with Disabilities program provides operating and capital grants to specialized transportation programs such as Regina's paratransit system. When the grant program was first implemented, the program funded up to 50% of the net operating cost of the paratransit program and up to 75% of the capital cost. The operating grant has been converted to a performance-based grant with the level of funding linked to the number of trips.

The paratransit grant has not kept pace with service needs and costs. The following table provides information on the operating grants since 2002.

Paratransit Service ($000's)	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**
Provincial Operating Grant	856.6	930.5	897.9	939.2	919.1	955.7	949.8	919.1
City's Operating Contribution	1,308.3	1,247.4	1,380.3	1,461.0	1,539.1	1,617.7	2,075.7	2,572.4
Total Contributions	2,164.9	2,177.9	2,278.2	2,400.2	2,458.2	2,573.4	3,025.5	3,491.5
Provincial Operating Grant	39.6%	42.7%	39.4%	39.1%	37.4%	37.1%	31.4%	26.3%
City's Operating Contribution	60.4%	57.3%	60.6%	60.9%	62.6%	62.9%	68.6%	73.7%
Total Contributions	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The Province's contribution has dropped from the initial target of 50% to about 30% of the net operating cost of the program. Based on 2008 funding it is projected that the Province's contribution will be about 26.3%. The City supported the move to a performance-based system for providing the operating grants. The concern however is that the level of provincial funding (as a portion of the net cost of the program) is declining due to funding for the program not increasing, as costs of delivering the program continue to rise. The level of funding for Regina is also adversely impacted if there is more rapid growth in the number of trips in other communities. While it is reasonable that communities with an increasing number of trips should receive additional funding, the additional funding should come from an increase in the total grant pool, not by reducing the provincial contribution per trip.

Other Grants

The total for other grants for 2009 is $834,500. The Province also provides transfers to the Regina Police Service. The transfers received by the Regina Police Service are included in the Fees and Charges section for Police. Other grants are conditional grants linked to specific projects or initiatives. Most of the grants are one-time grants that will not be received from year to year. Some of the grants, such as those for the control of Dutch Elm Disease, the Mosquito Control Grant or the Discounted Transit Pass Grant are programs that could continue for several years, although there is no specific commitment from the Province with respect to the timeframe for the grants.

Licenses, Levies and Fines

Operating Revenue Summary ($000's)

Revenue Source	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Licenses					
Business Licenses	700.0	702.4	**700.0**	-	-
Animal Control and Impoundment	438.9	346.5	**438.9**	-	-
Taxi Licenses	40.0	45.0	**40.0**	-	-
Levies and Other Taxes					
Paved and Gravel Alley Special Tax	2,838.9	2,942.6	**3,284.6**	445.7	15.7
Amusement Tax	600.0	611.9	**600.0**	-	-
Fines					
Court Fines	2,560.0	3,364.1	**2,750.0**	190.0	7.4
Parking Tickets	1,525.0	1,315.1	**1,525.0**	-	-
Total	8,702.8	9,327.6	**9,338.5**	635.7	7.3

Business Licenses

The authority for licenses is Section 8 of *The Cities Act*. The majority of the licenses issued by the City are pursuant to Bylaw 9565, The Licensing Bylaw.

The 2009 budget for business licenses is $700,000, no change from the 2008 budget. City Council (Report CR06-88) approved a simplified structure for license fees effective January 1, 2007. The new structure established two license categories with a fee of $225 for a Resident Business License and $450 for a Non-Resident Business License. On an annual basis, about 3,400 licenses are issued. Overall, the changes are expected to reduce total licensing revenues.

The following table details the business license revenue (budget and actual) since 2004.

Business License Revenue ($000's)	2004	2005	2006	2007	2008
Budget	665.0	750.0	750.0	700.0	700.0
Actual	775.1	835.3	724.7	678.0	702.4
Variance	110.1	85.3	(25.3)	(22.0)	2.4

Animal Control and Impoundment

The 2009 budget for animal licensing and fines is $438,900. City Council (Report CR07-163) approved an amendment of the Cat Control Bylaw to state that all cats must be licensed and an increase in animal fines, effective January 1, 2008. The revenue from animal licensing and animal fines is a source of funding for animal control and impoundment, with services provided under contract by the Regina Humane Society.

Paved and Gravel Alley Special Tax

Funding for maintenance and reconstruction of alleys is through a **Paved and Gravel Alley Special Tax** levied pursuant to Section 275 of *The Cities Act*. The special tax is levied against all properties that abut an alley and is billed in conjunction with property taxes.

The 2009 budget of $3,284,600 is an increase of $445,700 over the 2008 budget. The 2009 budget reflects an increase in the special tax rates of approximately 8.9%. There is also deferred revenue collected in prior years that will be expended in 2009.

The 2009 budget includes anticipated cost increases for labour, equipment and materials, which, in turn, require a corresponding increase in the alley special tax rates. In addition, the proposed increase includes the apportioned amounts of salaries for engineering and an allowance for initiating the bylaw enforcement process for private tree pruning.

These costs are not the full costs of operation and overhead. Full costs of overhead have not been charged to the program. Therefore, in order for the alley program to be fully funded by the property owners, additional costs of overhead will be identified and brought forward for consideration when the 2010 alleys program is developed.

The following table details rates for alleys and lanes since 2005. Since 2003, the revenue was collected through the special tax provisions of *The Cities Act*. Prior to 2003, the levy was assessed pursuant to provisions of *The Urban Municipality Act, 1984*.

Assessable Rates	**2005**	**2006**	**2007**	**2008**	**2009**
Paved and Upgraded Alleys	$2.15/ft.	$2.21/ft.	$2.28/ft.	$2.40/ft.	$2.64/ft.
Gravel Alleys	$1.39/ft.	$1.43/ft.	$1.48/ft.	$1.55/ft.	$1.66/ft.

The rate increase for 2009 is consistent with the direction adopted by City Council to enhance the maintenance of alleys. In 1996, an initiative was undertaken to evaluate the entire alley system. From the review, it was proposed that a 30-year reconstruction cycle be adopted for paved alleys and a 40-year reconstruction cycle for gravel alleys.

In order to implement this proposal the number of paved alleys reconstructed each year would be increased by an increment of four until 2005 when the program would provide for reconstruction of approximately 45 paved alleys.

For gravel alleys, increased investment levels between 1996 and 2001, resulted in all alleys requiring full block reconstruction being completed. The 2001 evaluation confirmed the objectives of the strategy were met, however, adjustments to the maintenance program were warranted. The approved maintenance program involved blading four to five times during the construction season, spot gravelling, cleaning of catch basins, minor reconstruction, minor drainage improvements, and a systematic program of gravel refreshment. Continuation of the investment strategy ensured ten additional alleys/year would be refreshed until 2006 when a ten-year refreshment cycle was reached on a City wide basis. As well, minor reconstruction of alleys was reduced to the equivalent of approximately five locations/year.

If the special tax levy is not fully expended in the year levied for the intended purpose, the amount of the levy that is not spent is recognized as deferred revenue and taken into revenue only when it is expended on the intended purpose.

Amusement Tax

The authority for **amusement tax** is Section 279 of *The Cities Act*. Bylaw 2003-102, the Amusement Tax Bylaw, establishes the amusement tax rate and defines the nature of entertainment subject to the tax. Amusement tax is applicable to the sale of tickets for commercial movie theatres. The amusement tax is 10%, with one-tenth of the amount to be retained by the theatre as an administrative fee or commission for collecting the tax.

For 2009, the projected revenue from amusement tax is $600,000, no change from the 2008 budget. Starting in 2004, accounting policy was revised to record the full 10% amusement tax as revenue. The amount retained by the theatres as an administrative fee is recorded as an expenditure. The administrative fee or commission for 2008 is $60,000. City Council will be reviewing a separate report on amusement taxes.

The following table details the amusement tax revenue (budget and actual) since 2004.

Amusement Tax Revenue ($000's)	2004	2005	2006	2007	2008
Budget	525.0	700.0	525.0	550.0	600.0
Actual	770.3	595.3	598.2	601.8	611.9
Variance	245.3	(104.7)	73.2	51.8	11.9

Court Fines

The projected revenue from court fines for 2009 is $2,750,000, an increase of $190,000 over the 2008 budget. The increase is based on actual results in 2008.

Court fines are received either through the Municipal Court or through traffic violations that result in payment through the provincial court system. The Regina Police Service issues tickets for infractions of *The Provincial Vehicles Act* and the City of Regina Traffic Bylaw.

The next table provides a summary of the budgeted and actual revenue from court fines since 2004 along with history on the number of traffic tickets issued and paid.

Court Fines Information	2004	2005	2006	2007	2008
Fine Revenue ($000's):					
Budget	1,750.0	2,100.0	2,400.0	2,400.0	2,750.0
Actual	1,944.0	2,530.9	2,473.6	2,673.1	3,364.1
Variance	194.0	430.9	73.6	273.1	614.1
Traffic Tickets:					
Tickets Issued	24,886	26,206	25,130	27,418	32,723
Tickets Paid	22,026	24,263	23,793	19,742	27,554

While the Province administers and enforces the collection of tickets, they deduct from the fine revenue remitted to the City the following charges:

- A court security fee of $320,000 per year.
- An administration fee of 25% of the value of the tickets collected, plus the costs for credit and debit cards and collection agency fees. The total projected fine administration fee for 2009 is $640,000.

Parking Fines

The projected revenue from parking fines for 2009 is $1,525,000, no change from the 2008 budget. In 2004, City Council (Report CR03-113) increased parking infractions by $10, with a $5 increase in the discount, coupled with the discount period being extended from 10 days to 14 days.

The next table provides a summary of the parking fine revenue since 2004 along with information on the tickets issued and paid, and other related information.

Parking Ticket Information	2004	2005	2006	2007	2008
Parking Ticket Fines ($000's):					
Budget	1,500.0	1,400.0	1,280.0	1,260.0	1,525.0
Actual	1,431.2	1,412.3	1,674.7	1,490.6	1,315.1
Variance	(68.8)	12.3	394.7	230.6	(209.9)
Parking Tickets:					
Tickets Issued - City	68,370	69,344	59,321	64,247	60,783
Tickets Issued - Wascana/University	21,874	17,906	17,642	17,969	18,042
	90,244	87,250	76,963	82,216	78,825
Tickets Paid	77,882	75,770	67,974	72,308	66,741

Fees and Charges

Operating Revenue Summary ($000's)

Revenue Source ($000's)	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Public Works	8,318.6	8,899.3	**9,765.0**	1,446.4	17.4
Planning & Development	1,764.8	2,454.6	**2,129.3**	364.5	20.7
Community & Protective Services	14,214.5	15,840.1	**14,693.5**	479.0	3.4
Police Department	4,775.8	5,749.0	**5,694.8**	919.0	19.2
Other Fees and Charges	961.4	1,272.1	**1,360.6**	399.2	41.5
Total	30,035.1	34,215.1	**33,643.2**	3,608.1	12.0

Public Works Fees and Charges

Revenue Source ($000's)	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Solid Waste Collection	310.4	239.4	**244.1**	(66.3)	(21.4)
Landfill Charges	5,775.3	5,176.3	**4,980.3**	(795.0)	(13.8)
Allocated Landfill Charges	86.3	77.8	**2,395.0**	2,308.7	2,675.2
Recycling Revenues	190.0	298.7	**360.0**	170.0	89.5
Landfill Gas Sales	25.0	26.4	**50.0**	25.0	100.0
Use/Encroachment Fees	45.0	38.6	**45.0**	-	-
Parking Fees	1,409.0	1,504.1	**1,409.0**	-	-
Other Revenues	477.6	1,538.0	**281.6**	(196.0)	(41.0)
Total	8,318.6	8,899.3	**9,765.0**	1,446.4	17.4

Parking Meter Fees

The 2009 budget for parking meter revenues is $1,400,000, an increase of $60,000 over 2008 based on historical actuals. In 2003, City Council (CR03-113) approved, effective July 1, 2003, an increase in parking meter rates from $0.75 to $1.00 per hour. The increase was for regular meters. Loading zone meters are 50 cents for 15 minutes.

The following table details parking meter revenue (budget and actual) since 2004.

Parking Meter Revenue ($000's)	2004	2005	2006	2007	2008
Budget	1,080.0	1,080.0	1,200.0	1,200.0	1,340.0
Actual	1,095.4	1,206.3	1,274.4	1,356.8	1,406.0
Variance	15.4	126.3	74.4	156.8	66.0

Landfill Fees

The 2009 budget for landfill fees is $4,980,300, a decrease of $795,000 over 2008. This is due to a change in customer behaviour, where customers have pre-segregated asphalt/concrete construction wastes to avoid a newly imposed fee. Revenue increases related to this increased fee did not materialize in 2008 to the extent expected due to customers segregating an unexpectedly high volume of these wastes. The fee was implemented to encourage such action and 2009 revenue expectations have been scaled back to acknowledge this new and encouraging trend.

In 2007, City Council (Report CR07-157) approved landfill rates per tonne for 2008 to 2011. The rates for 2008, 2009 and 2010 are $36.00, $38.00 and $40.00 respectively.

In 2003, City Council adopted a funding policy for the calculation of the transfer to the landfill reserve. The landfill and recycling revenues net of landfill and recycling operating costs are transferred to the Landfill Reserve to fund landfill capital costs. The landfill revenues used in the calculation of the transfer include the revenues from external customers, and the deemed revenue, based on the approved landfill rates for residential waste disposed at the landfill. A financial model has been developed for the landfill operations, taking into account operating and capital costs for the landfill and recycling. Rates are established based on funding requirements for operating costs along with current and projected capital requirements.

The following table details landfill revenue (budget and actual) since 2004:

Landfill Revenue ($000's)	**2004**	**2005**	**2006**	**2007**	**2008**
Budget	3,262.0	3,542.0	3,814.5	3,814.5	5,775.3
Actual	3,285.3	3,526.1	3,925.0	4,372.7	5,176.3
Variance	23.3	(15.9)	110.5	558.2	(599.0)

For 2009, it is proposed that solid waste residential collection program pay tipping fees as done by other internal City clients. This change would result in no net change to landfill expenses and revenues. However, better management control can be provided as the full revenues and expenses would be reported and tracked.

Planning & Development Fees and Charges

Revenue Source ($000's)	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Planning & Sustainability Department					
Building Branch					
Building Permit Fees	1,100.0	1,843.9	**1,406.1**	306.1	27.8
Application Fees	118.0	101.3	**166.6**	48.6	41.2
Other Revenue	29.8	40.1	**29.3**	(0.5)	(1.7)
Development Planning Branch					
Development Application Fees	5.0	6.4	**5.0**	-	-
Sign Permit Fees	33.0	40.4	**33.0**	-	-
Sale of Promotional Items, Maps, etc.	0.6	0.8	**0.6**	-	-
Development Engineering Department					
Development & Technical Services					
Sale of Promotional Items, Maps, etc.	16.0	3.8	**16.0**	-	-
Sign Permit & Develop Application Fees	431.5	185.6	**448.7**	17.2	4.0
Allocated Surveying Costs	(187.6)	(68.3)	**(194.5)**	(6.9)	(3.7)
Municipal Access Fee	25.0	-	**25.0**	-	-
Access Administration Fee	2.5	-	**2.5**	-	-
Assessment & Property Taxation					
Tax Certificate and Search Fees	140.0	140.6	**140.0**	-	-
Administration Charges	20.0	36.3	**20.0**	-	-
NSF Service Charge	16.0	15.6	**16.0**	-	-
Miscellaneous Revenue	15.0	108.1	**15.0**	-	-
Total	1,764.8	2,454.6	**2,129.3**	364.5	20.7

Building Permit Fees

The 2009 budget for building permit fees is $1,406,100, an increase of $306,100 from the 2008 budget. The fees are established in Building Bylaw 2003-7. In 2003, City Council (Report CR03-249) considered a report that reviewed the building permit fees. The fee schedule was not changed, but the formula for calculating the value for the purpose of determining the permit cost was revised. Building permit fees are, by policy, based on a 75% cost recovery over a five-year period. There is a schedule of fees for building projects with a value of up to $100,000 ($100 fee for $10,000 value up to $500 fee for $100,000 value), with the fee increasing by $5.00 per $1,000 in value above $100,000.

It is important to note that the increased revenue in 2009 is not due to an increase in the fees charged. This increase in revenue is based soley on the expected volume of building permits to be processed in 2009.

Community & Protective Services Fees and Charges

Revenue Source ($000's)	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	 Per Cent Change
Community Services Department					
Northwest Leisure Centre	407.0	433.2	**398.5**	(8.5)	(2.1)
Sandra Schmirler Leisure Centre	713.2	786.4	**715.3**	2.1	0.3
Lawson Aquatic Centre	821.1	1,004.8	**828.2**	7.1	0.9
Fieldhouse	682.1	805.1	**706.8**	24.7	3.6
Outdoor Pools	130.0	159.2	**134.8**	4.8	3.7
Neil Balkwill Civic Arts Centre	172.7	203.3	**172.7**	-	-
Speed skating Oval	10.3	3.1	**2.0**	(8.3)	(80.6)
Outdoor ice	0.6	8.2	**0.6**	-	-
Athletic Fields	170.3	158.2	**170.3**	-	-
Mosaic Stadium	211.1	270.9	**211.1**	-	-
Leslie Lawn Bowling Greens	32.5	17.5	**17.5**	(15.0)	(46.2)
Tennis Courts	1.2	2.0	**2.0**	0.8	66.7
Douglas Park	6.6	6.1	**6.9**	0.3	4.5
Indoor Arenas	1,306.8	1,380.5	**1,306.8**	-	-
Other Revenue	26.0	32.1	**26.0**	-	-
Community & Social Development Services					
Facility Rentals	197.6	186.6	**134.1**	(63.5)	(32.1)
Program Registration Fees	31.1	26.6	**31.0**	(0.1)	(0.3)
Other Revenue	-	41.0	**-**	-	-
Parks and Open Space Department					
Golf Courses	2,473.6	2,590.8	**2,590.6**	117.0	4.7
Cemeteries - restate(1)	722.9	900.2	**797.5**	74.6	10.3
Streetscape	5.0	14.4	**5.0**	-	-
Other Revenue	24.0	52.2	**24.0**	-	-
Protective Services Department					
Bylaw Enforcement	78.0	74.8	**78.0**	-	-
RRAP Inspection Fees	40.0	28.5	**40.0**	-	-
Licensing and Municipal Fines	6.6	9.8	**6.6**	-	-
Fire Administration	175.0	267.4	**185.0**	10.0	5.7
Fire Training	-	-	**14.9**	14.9	100.0
Transit Department	5,375.3	5,972.0	**5,713.6**	338.3	6.3
Transit Operations	393.9	405.2	**373.7**	(20.2)	(5.1)
Total	14,214.5	15,840.1	**14,693.5**	479.0	3.4

Note:
In prior years, Interest earned in the Cemeteries Perpetual Care Fund was included in Fees and Charges Revenue. For 2009, and onward, it will be included in Interest Revenue. 2008's Budget amount has been restated to conform with the current year's presentation.

Community Services Revenue

The following table details Community Services revenue (budget and actual) since 2004. The revenue includes the fees and charges for the Community Services Department, not including Indoor Arenas.

Community Services Revenues ($000's)	2004	2005	2006	2007	2008
Budget	3,596.9	3,463.6	3,426.5	3,535.6	3,613.4
Actual	3,418.2	3,113.8	3,479.5	3,812.0	4,144.3
Variance	(178.7)	(349.8)	53.0	276.4	530.9

A fees and charges strategy for the period 2008 through 2010 for sport, culture and recreation services has been developed. As part of this strategy, fees and charges for admissions and leisure passes were approved by City Council in 2007; fees and charges for rental services were approved by City Council in 2008.

Fees and charges are developed through a process that determines cost-recovery levels that aim to establish an acceptable balance between user fees and taxpayer subsidy. Where the community at large benefits from an individual's use of a program or service (for example, where a recreation activity is aimed at children and youth and focuses on water safety), a higher level of tax subsidy is deemed to be appropriate than when it is primarily the individual who benefits from the use of the program or service (for example, where the activity is aimed at adults developing specialized skills). This is referred to as a benefits-based approach to establishing cost recovery levels.

To reflect this approach, cost recovery levels at the City of Regina for services that are less specialized and targeted mostly at children and youth – including outdoor pools, athletic fields, and neighbourhood centres – are established between 20 to 25%, with the community as a whole sharing between 75 to 80% of the cost through tax subsidies. Cost recovery levels for services that are more specialized – such as fitness and aquatic facilities, arenas, and the Neil Balkwill Civic Arts Centre are established at between 50 to 60%, with the community as a whole subsidizing between 40 to 50% of the cost through tax subsidies. Where other service providers exist in Regina, as for fitness and aquatics services, rates reflect the market value for those services. This ensures that the City's provision of services at subsidized rates does not discourage other organizations from providing similar services in the marketplace.

The City also offers an Affordable Fun Program, which provides further subsidies for citizens who experience financial barriers to participation. Through this program, individuals who meet established criteria, are able to purchase leisure passes and register in programs at a subsidized rate.

Arena Revenue

The 2009 budget for arena revenue remains unchanged from the 2008 level of $1,306,800. As part of the City's partnership to provide the community with access to the multi-purpose arena facilities at Evraz Place, a new fees and charges strategy for arenas is being developed for the 2009/2010 winter season.

The following table details arena revenue (budget and actual) since 2004.

Arena Revenue ($000's)	2004	2005	2006	2007	2008
Budget	1,262.5	1,225.4	1,200.9	1,205.0	1,306.8
Actual	1,195.2	1,141.0	1,342.2	1,370.5	1,380.5
Variance	(67.3)	(84.4)	141.3	165.5	73.7

Golf Course Revenue

The 2009 budget for golf course revenue is $2,590,600, an increase of $117,000 from the 2008 budget amount of $2,473,600.

In 2007, the City of Regina entered into a three year agreement with Western Golf Management Ltd. for the operation of the Joanne Goulet and Lakeview Golf Courses (2007 – 2009). The agreement includes a fixed base fee payable to the City for each year of the contract with a split on green fees revenue: 40% City, 60% Western Golf Management.

The agreement for the Murray and Tor Hill Golf Courses is for a 20 year term (2002 – 2021). The agreement provides for a sharing of green fee revenues (50% to the City and 50% to Western Golf Management) along with a certain level of base fees paid to the City by Western Golf Management. The base fees increase each year based on increases in the green fee rates. The yearly payment to the City will not exceed 100% of the green fees for the year.

The following table details golf course revenue (budget and actual) since 2004.

Golf Course Revenue ($000's)	2004	2005	2006	2007	2008
Budget	2,417.7	2,427.5	2,357.0	2,473.6	2,473.6
Actual	2,214.9	2,108.5	2,510.1	2,472.4	2,590.8
Variance	(202.8)	(319.0)	153.1	(1.2)	117.2

Cemetery Revenue

The 2009 budget for Cemetery revenue is $797,500, an increase of $74,600 from the 2008 budget. There are no proposed increases in plot prices in the 2009 Fee Schedule. It is anticipated that there will be a modest increase in sales volume.

The following table details cemetery revenue (budget and actual) since 2004.

Cemetery Revenue ($000's)	2004	2005	2006	2007	2008
Budget	849.1	946.6	864.3	852.9	722.9
Actual	923.5	866.7	868.5	976.0	900.2
Variance	74.4	(79.9)	4.2	123.1	177.3

Fire Suppression Service Fees

The majority of the revenue is for fees pursuant to service agreements with the Rural Municipality of Sherwood and the Rural Municipality of Lumsden. The fees have two components:

- **Retainer Fee** – For each of the servicing agreements there is an annual retainer fee paid by the Rural Municipality. The base fee was established when the initial agreements were negotiated, with the fee increased each year by the greater of the percentage increase in the Consumer Price Index for the prior year, and the percentage increase in the operating budget. The following table has information on the projected retainer fee for 2009 along with the fees in prior years.

Fire Service Agreements Retainer Fee ($)	2005	2006	2007	2008	2009
Rural Municipality of Sherwood	65,639.0	69,617.0	74,950.0	76,900.0	80,300.0
Rural Municipality of Lumsden	8,820.0	9,350.0	10,071.0	10,300.0	10,800.0

- **Service Call Fee** – In addition to the retainer fee, there is a charge per incident billed to the rural municipality. Revenues vary based on the number of service calls, the resources required, and the length of time for a call. The estimated revenue from service call fees in 2009 is approximately $60,000.

  Other Fire suppression service fees are received from Saskatchewan Government Insurance for motor vehicle accidents and fires (2009 estimate of $19,000), and payments from the Municipal Rescue Services Fund administered by SUMA (2009 estimate of $9,900). The purpose of the Municipal Rescue Services Fund is to more fully compensate municipal fire and rescue units for performing emergency services at vehicle accidents outside of their jurisdiction.

Transit Fees and Charges

				Budget Change	
Revenue Source ($000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Public Transit					
Cash Fares	1,569.7	1,610.6	**1,621.5**	51.8	3.3
Ticket Sales	860.6	906.3	**883.6**	23.0	2.7
Pass Sales	2,054.0	2,383.8	**2,308.7**	254.7	12.4
Senior Citizens Pass Sales	232.3	226.2	**210.3**	(22.0)	(9.5)
Advertising	417.9	421.9	**438.2**	20.3	4.9
Other Revenue	240.8	423.2	**251.3**	10.5	4.4
Paratransit					
Cash, Ticket and Pass Sales	268.9	257.3	**253.7**	(15.2)	(5.7)
Other Revenue	125.0	147.9	**120.0**	(5.0)	(4.0)
Total	5,769.2	6,377.2	**6,087.3**	318.1	5.5

The 2009 budget for Transit revenues is $6,087,300, an increase of $318,100 as compared to the 2008 budget. There is a grant from the Province of $500,000 for the discounted pass program, as well as a paratransit grant of $919,100. These grants are shown in the Government Grants section.

The following table details transit revenues (budget and actual) since 2005.

Transit Revenues and Fares ($000's)	**2005**	**2006**	**2007**	**2008**	**2009**
Public Transit Revenue:					
Budget	5,147.0	5,044.4	5,160.3	5,375.3	5,713.6
Actual	4,544.5	5,167.6	5,449.9	5,972.0	n/a
Variance	(602.5)	123.2	289.6	596.7	n/a
Paratransit Revenue:					
Budget	432.3	456.2	473.9	393.9	373.7
Actual	445.8	480.7	517.7	405.1	n/a
Variance	13.5	24.5	43.8	11.2	n/a
Transit Rates (Effective Jan. 1):					
Cash Fares:					
Adult	2.00	2.10	2.10	2.10	2.10
Youth	1.50	1.60	1.60	1.60	1.60
Tickets (10 tickets):					
Adult	16.50	17.00	17.00	17.00	17.00
Youth	12.00	12.50	12.50	12.50	12.50
Bus Pass:					
Adult (monthly)	54.00	57.00	57.00	57.00	57.00
Post Secondary (monthly)	47.00	48.00	48.00	48.00	48.00
Youth (monthly)	40.00	42.00	42.00	42.00	42.00
Senior (semi-annual)	88.00	93.00	93.00	93.00	93.00
Senior (annual)	176.00	185.00	185.00	185.00	185.00
Discounted Pass (monthly)	15.00	15.00	15.00	15.00	15.00
Punch Pass (40 uses)	80.00	84.00	84.00	84.00	84.00
Paratransit Rates (Effective July 1):					
Cash Fares	1.90	2.00	2.10	2.10	2.10
Tickets (10 Tickets)	19.00	20.00	21.00	21.00	21.00
Monthly Pass (40 uses)	76.00	80.00	84.00	84.00	84.00

In 2008, Paratransit rates were adjusted to parallel Public Transit rates. The following categories did not previously exist for Paratransit: Cash Fare (Youth), 10 Tickets (Youth) and all Bus Pass categories. As well, the Paratransit rates for 10 Tickets (Adult) for 2004 to 2007 were $19.00, $20.00, $21.00, and $21.00 respectively. The 40 use Punch Pass is available to Paratransit customers only.

Police Fees and Charges

Revenues for the Regina Police Services are projected to increase $919,000. The revenues are based on the 2009 budget of the Board of Police Comission as submitted to City Council. The revenues include transfers from the Federal and Provincial Governments.

				Budget Change	
Revenue Source ($000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Provincial Programs					
9-1-1 PSAP	770.0	797.3	**788.6**	18.6	2.4
Victim Services	94.9	97.3	**97.5**	2.6	2.7
Aboriginal Resource Officers	88.7	90.9	**90.7**	2.0	2.3
SHOCAP	450.0	450.0	**487.5**	37.5	8.3
Organized Crime	375.0	681.1	**502.5**	127.5	34.0
Enhanced Community Policing	1,440.0	1,440.0	**1,560.0**	120.0	8.3
Missing Person Task Force	90.0	90.0	**97.5**	7.5	8.3
Internet Child Exploitation	90.0	90.0	**195.0**	105.0	116.7
Fraud Investigator - Social Services	90.0	100.0	**100.0**	10.0	11.1
Provincial Police Resource	-	-	**100.0**	100.0	100.0
Child Sexual Exploitation	180.0	180.0	**195.0**	15.0	8.3
Aboriginal Recruiting Strategist	94.3	96.1	**-**	(94.3)	(100.0)
CFSEU - Inspector	-	-	**156.0**	156.0	100.0
SGI Enforcement Overdrive	73.6	71.6	**78.3**	4.7	6.4
	3,836.5	4,184.3	**4,448.6**	612.1	16.0
Federal Programs					
Proceeds of Crime	80.0	87.5	**90.0**	10.0	12.5
RIIU Casual Monitor	31.8	19.1	**28.0**	(3.8)	(11.9)
Corrections Liaison Officer	90.5	102.4	**108.3**	17.8	19.7
NWEST - National Weapons Enforcement	-	-	**102.9**	102.9	100.0
	202.3	209.0	**329.2**	126.9	62.7
Other Revenue					
Radio Shop	346.5	489.4	**370.8**	24.3	7.0
Miscellaneous Revenue	340.7	810.3	**496.1**	155.4	45.6
Contributions	44.8	51.7	**45.1**	0.3	0.7
Cost Recoveries	5.0	4.3	**5.0**	-	-
	737.0	1,355.7	**917.0**	180.0	24.4
Total	4,775.8	5,749.0	**5,694.8**	919.0	19.2

Provincial Programs

- **Sask 9-1-1 PSAP** – This revenue is related to the provincial 9-1-1 system. The Regina Police Service is one of the three PSAP's for Saskatchewan. This program funds 10.8 permanent and casual civilian employees.
- **Victim Services** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two civilian employees to provide basic services to victims of crime and traumatic events including information, support, referral, accompaniment and advocacy.

- **Aboriginal Resources Program** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two civilian employees to provide basic services to aboriginal victims of crime and their families including information, support and referral. The program also reflects community interest/concerns as a focus for advocacy within the justice system on behalf of aboriginal victims of crime.

- **SHOCAP** – Serious and Habitual Offender Comprehensive Action Plan Program. This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds five police officers to provide a strategy that integrates the resources of police, prosecutions, social services, corrections and other agencies to respond in an effective manner to serious and habitual offenders.

- **Organized Crime** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds five police officers to provide a strategy for the resources of the Regina Police Service Serious Crime Task Force to conduct comprehensive investigations of individuals involved in or suspected of engaging in organized criminal activities.

- **Enhanced Community Policing** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds sixteen police officers to assist the Regina Police Service with its Neighbourhood Policing Program.

- **Missing Person Task Force** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds one police officer to investigate new and historic missing person cases.

- **Child Sexual Exploitation** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two police officers to investigate child sexual exploitation offences.

- **Internet Child Exploitation (ICE)** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two police officers dedicated to the investigation of internet child exploitation files.

- **Provincial Police Resources** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds four police officers effective October 1, 2009 dedicated to the investigation of gangs, violence and drugs.

- **Fraud Investigator** – This program is funded by the Saskatchewan Provincial Government, Department of Social Services and funds one police officer to investigate fraud.

- **CFSEU – Inspector** – This program is funded by Saskatchewan Provincial Government, Department of Justice and funds the Inspector in charge of the Combined Forces Selective Enforcement Unit.

- **SGI Enforcement Overdrive** – This program is funded by SGI and funds the cost to conduct road side check points to reduce the incidence of impaired driving and make the streets of Regina safer.

Federal Programs

- **Proceeds of Crime** – This program is funded by the Government of Canada and funds one officer to participate in a multi-oganizational unit called the Integrated Proceeds of Crime Section (IPOC).

- **RIIU ACIIS Data Entry Clerk** – This program is funded by the RCMP and supports one-half casual civilian employee to provide data-entry duties related to Automated Criminal Intelligence Information System (ACIIS).

- **Corrections Liaison Officer** – This program is funded by the Correctional Service of Canada (CSC) and funds one police officer to work closely with parole officers including monitoring the activities of higher-risk offenders; acting as a link with police and other relevant agencies in order to enhance information sharing; and engaging in activities related to reducing the number of unlawfully at large offenders.

- **NWEST – National Weapons Enforcement Support Team** – This program is funded by the RCMP and supports one police officer to work with the Firearms Support Services Directorate (FSSD).

Other Police Revenues

- **Communication Technology Unit** – This revenue is cost recovery and corresponds with the Communication Technology (Radio Shop) Operating Budget. Revenues are received by charging the users (City of Regina, Regina Police Service and some external users) of the trunked radio system and are managed by the Radio Management Committee.

- **Miscellaneous Revenues** – This revenue includes pre-employment criminal record checks, letters of conduct, special duty and other general revenue.

- **Contributions** – This revenue includes the Treaty Four Citizens Police Academy and revenue from the Public and Separate School Boards for the School Resource Officer Program.

- **Cost Recoveries** – This revenue is cost recovery and represents the actual cost of administering the Sigma test to all police and communications officer applicants.

Other Fees and Charges

				Budget Change	
Revenue Source ($000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Council and Committees					
Board of Revision Fees	10.0	13.8	**30.0**	20.0	200.0
Development Appeals Fees	3.0	4.2	**4.0**	1.0	33.3
Other Revenue	0.7	0.1	**2.7**	2.0	285.7
	13.7	18.1	**36.7**	23.0	167.9
Office of the City Manager					
Communication Fees and Charges	16.0	50.8	**16.0**	-	-
Election Cost Recovery	-	-	**198.3**	198.3	100.0
Other Revenue	0.4	3.5	**0.4**	-	-
	16.4	54.3	**214.7**	198.3	1,209.1
Corporate Services Department					
Auction and Salvage	170.0	329.1	**170.0**	-	-
Employee Parking	120.0	147.8	**289.3**	169.3	141.1
Facility Operating Agreements	21.0	14.5	**21.0**	-	-
Facility Charges - Sunset Library	78.1	81.1	**78.1**	-	-
False Alarm Fees	50.0	54.3	**63.0**	13.0	26.0
Agreement and Charters	5.0	0.8	**5.0**	-	-
Other Revenue	90.0	271.9	**85.6**	(4.4)	(4.9)
	534.1	899.5	**712.0**	177.9	33.3
Saskatchewan Lotteries Grant	397.2	300.2	**397.2**	-	-
Total	961.4	1,272.1	**1,360.6**	399.2	41.5

Board of Revision Fees

The Board hears appeals and makes decisions with respect to local improvements and property assessment appeals in accordance with *The Local Improvements Act, 1993* and *The Cities Act*. There are nine citizen members on the Board. The fees established by City Council in Bylaw 2003-69, pursuant to the authority in Section 196 of *The Cities Act*, are:

- $30.00 for each single family residential property.
- $30.00 per condominium unit.
- For all other properties, $150.00 for properties with a fair value assessment of up to $499,999. For properties with a fair value assessment of $500,000 to $1,000,000, the fee is $500.00 and for properties with a fair value assessment over $1,000,000, the fee is $750.00.

Fees are refundable if the appeal is successful. There are typically a substantial number of appeals in a reassessment year, with fewer appeals in the years following a reassessment.

Development Appeals Fees

The Development Appeals Board hears and considers appeals to zoning regulations. It carries the duties and powers as set forth in Bylaw 9250 and section 92 of *The Planning and Development Act, 1983*. There are five citizen members on the Board. The appeal fee is $50.00.

Assessment and Taxation Fees

The revenue for assessment and tax fees is $160,000 in total. The estimated revenue from tax certificates is $100,000. The fee for a tax certificate is $25. Fees paid by mortgage companies for taxation services are estimated at $50,000. A variety of other miscellaneous fees account for the balance of the assessment and taxation fee revenue. Fees are established in Schedule B of Bylaw 2003-69.

False Alarm Fees

Based on a recommendation from The Board of Police Commissioners, City Council passed Bylaw 2004-24, providing for false alarm fees of $75 for the third and fourth false alarm within a one year period. The Police Department administers the alarm bylaw, but the fees are billed through the Financial Services Department.

Other Revenues

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Electrical Distribution	24,600.0	25,428.9	**26,103.5**	1,503.5	6.1
Gas Distribution	8,401.4	9,316.0	**10,013.5**	1,612.1	19.2
Interest	4,662.3	5,725.9	**3,066.1**	(1,596.2)	(34.2)
Tax Penalties	1,265.0	977.2	**1,165.0**	(100.0)	(7.9)
Interfund Transfers					
Utility Surplus Transfer	5,030.4	5,030.4	**5,436.3**	405.9	8.1
Utility Administration	2,951.3	2,951.3	**3,231.8**	280.5	9.5
Pension and Benefits Administration	69.6	69.6	**70.1**	0.5	0.7
Buffalo Pound Water Admin. Board	25.2	25.2	**27.9**	2.7	10.7
Transfers from Reserves					
General Fund Reserve	2,051.2	20.0	**6,731.4**	4,680.2	228.2
Technology Reserve	-	-	**92.9**	92.9	100.0
Cemetery Reserve	152.8	-	**59.8**	(93.0)	(60.9)
Total	49,209.2	49,544.5	**55,998.3**	6,789.1	13.8

Electrical Distribution Revenue

The City receives from SaskPower a 10% municipal surcharge that is added to a customer's bill, and 5% of the SaskPower revenues within the city limits (called a payment in lieu of taxes).

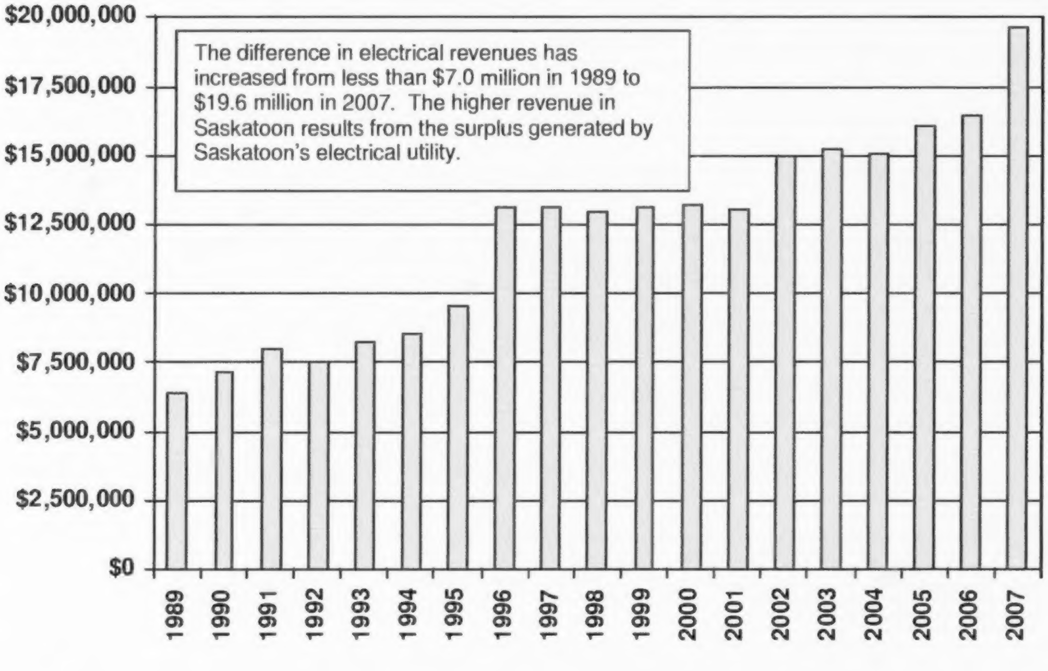
The projected revenue for 2009 is $26,103,500, an increase of $1,503,500 or 6.1% over the 2008 budget. The 2009 revenue budget is based on a three-year average of the revenue received from SaskPower, after adjusting for rate changes over the three-year period.

The following table details the electrical revenue (budget and actual) since 2004.

Electrical Revenue ($000's)	**2004**	**2005**	**2006**	**2007**	**2008**
Budget	20,800.0	21,440.0	22,730.0	24,010.0	24,600.0
Actual	20,760.3	22,123.1	23,904.4	25,378.1	25,428.9
Variance	(39.7)	683.1	1,174.4	1,368.1	828.9

Electrical revenue is the major difference in the revenue available to Regina and Saskatoon. The next graph highlights the **difference** in electrical revenues in the two cities since 1989.

Difference in Electrical Revenues – Regina and Saskatoon



The difference in electrical revenues has increased from less than $7.0 million in 1989 to $19.6 million in 2007. The higher revenue in Saskatoon results from the surplus generated by Saskatoon's electrical utility.

Natural Gas Distribution Revenue

The City receives revenues from SaskEnergy and its subsidiary TransGas on the consumption of natural gas. For SaskEnergy, there is a 5% surcharge (payment in lieu of taxes) that is added to a customer's bill. For customers who do not purchase natural gas from SaskEnergy, but purchase from another supplier, TransGas delivers the natural gas and bills for the transportation cost. TransGas also collects a 5% payment in lieu of tax that is paid to the City. The amount is calculated on the costs of transportation, plus a deemed cost of gas calculated in accordance with regulations. In calculating the deemed cost of gas, the average cost of gas as determined by Saskatchewan Industry and Resources is used.

The TransGas payments with respect to the consumption by Consumers' Co-operative Refineries Limited (CCRL) and Newgrade Energy Inc. (NEI) are subject to an agreement dated October 3, 2000. The agreement was linked to the expansion of the refinery. Prior to the agreement taking effect, the payments from CCRL and NEI for direct purchases of natural gas was calculated on the total amount of natural gas purchased. The companies use natural gas for fuel (fuel stock) and in the production process (feedstock). The agreement provided that once the expansion was operational, natural gas used as feedstock would be eliminated from the calculation of the amount paid to the City, subject to a base amount. The payment to the City will be the greater of an average annual amount of $1,162,050 or the amount due on natural gas used as fuel.

The projected revenue for 2009 is $10,013,500, an increase of $1,612,100 or 19.2% more than the 2008 budget. Assumptions used to generate the 2009 revenue budget are:

- The projected revenue from SaskEnergy is based on a three-year average, with the revenues over the three years adjusted for rate changes.

- The TransGas payment with respect to the consumption of natural gas by Consumers' Co-operative Refineries Limited and Newgrade Energy Inc. is based on the terms of the agreement, projected natural gas volumes provided by the two companies, and the average deemed cost of gas. Changes in the volume of fuel stock and/or the deemed cost of gas will affect the actual revenue received, subject to the base amount in the agreement.

The following table details the gas revenue (budget and actual) since 2004.

Gas Revenue ($000's)	2004	2005	2006	2007	2008
Budget	8,600.0	8,980.0	9,395.0	9,667.5	8,401.4
Actual	8,837.8	9,431.0	8,709.7	8,448.8	9,316.0
Variance	237.8	451.0	(685.3)	(1,218.7)	914.6

There have been substantial variances between the revenue budget and actual revenue. The variances are for the most part related to the payments for direct purchase customers. Variability in consumption and the deemed cost of gas are the major factors.

The following table details the deemed cost of gas since 2004 used in the calculation of the payments in lieu of taxes for direct purchase customers. In addition to the deemed cost of gas, there is an amount added to the deemed cost pursuant to regulations. The amount for 2008 was 13.3 cents per GJ from January to August and 13.0 cents per GJ from September to December.

Deemed Cost of Gas ($ per GJ)	2004	2005	2006	2007	2008
January	5.340	6.558	10.853	7.086	6.278
February	6.156	6.062	9.658	6.627	6.678
March	6.061	5.965	7.340	6.814	7.189
April	5.577	6.331	6.340	7.130	7.728
May	5.787	6.954	6.092	6.732	8.495
June	6.230	6.768	5.704	6.299	9.168
July	6.795	6.451	5.356	6.015	9.400
August	6.231	6.684	5.413	5.159	9.940
September	6.075	7.544	5.778	5.778	7.662
October	5.197	9.470	5.108	5.108	6.548
November	5.338	11.025	4.782	4.782	5.916
December	6.634	10.379	6.747	6.747	6.328

Interest

Interest earnings are a combination of earnings on short-term investments in a money market fund, and revenue from funds held in a long-term bond fund. The projected interest revenue is subject to change due to changes in cash balances and/or interest rates. **The 2009 budget for interest earnings is $3,066,100 a decrease of $1,596,200 compared to 2008 budget**, due to lower cash balances and interest rates.

The following table details the interest revenue (budget and actual) since 2004.

Interest Revenue ($000's)	2004	2005	2006	2007	2008
Budget	3,364.8	3,850.0	4,050.0	4,466.4	4,532.3
Actual	4,198.9	4,756.6	4,786.1	5,232.0	5,869.8
Variance	834.1	906.6	736.1	765.6	1,337.5

Tax Penalties

Tax penalties are applicable to current taxes that are not paid by June 30 each year and tax arrears. The exception for current taxes is where a property owner is paying taxes through the TIPPS program. The penalty rate for current taxes is 1.25% per month, with a rate of 1.5% per month for tax arrears.

The 2009 budget for tax penalties is $1,165,000, a $100,000 decrease compared to 2008 budget. Penalties for current taxes have decreased in recent years as more customers (both residential and non-residential) make use of the monthly tax payment program (TIPPS) and as tax arrears decline. The following table details the tax penalty revenue (budget and actual) since 2004.

Tax Penalty Revenue ($000's)	2004	2005	2006	2007	2008
Budget	1,450.0	1,575.0	1,265.0	1,265.0	1,265.0
Actual	1,349.2	1,135.3	965.5	963.9	977.2
Variance	(100.8)	(439.7)	(299.5)	(301.1)	(287.8)

Water and Sewer Utility Transfers

Transfers from the Water and Sewer Utility include:

- A Transfer to the General Operating Fund, and
- A Utility Administration Charge.

The **Transfer to General Operating Fund** is calculated based on 7.5% of the budget for billed utility revenues for the prior year. Starting in 2004, the transfer includes the benefit to the Utility (estimated to be $675,000) of the additional GST rebate. The rate used to calculate the Transfer in 1990 was 2.5%. The rate was revised to 7.5% starting in 1991. The transfer is intended to reflect a payment in lieu of taxes. A private utility operating in any City would be required to pay property taxes and/or access fees. Transfers are paid by virtually all utilities operating in Western Canada and are typically in a range of 5 to 15% of total utility revenues.

The **Utility Administration Charge** is calculated as 5% of the budgeted utility expenditures for the prior year. Most corporate functions (City Council, Committees, City Manager, Human Resources, City Solicitor's Office, City Clerk's Office, Accounting, Budgeting, and Purchasing) are involved in issues or activity related to the Water and Sewer Utility. The percentage transfer is used in lieu of a more detailed cost allocation process. A more detailed process would still involve arbitrary decisions, and would significantly increase the effort and hence cost required as compared to the current policy. The amount of the charge is intended to be an approximate measure of the extent that these corporate costs are attributable to the utility.

For 2009, the utility transfers are $8,668,100, an increase of $686,400 over the transfers in 2008. The next table provides details on the utility transfers since 2004.

Water & Sewer Utility Transfers ($000's)	2004	2005	2006	2007	2008
Transfer to the General Operating Fund					
Base Utility Transfer	3,622.2	3,828.5	3,996.6	4,176.8	4,355.4
GST Rebate Transfer	675.4	675.4	675.4	675.4	675.0
Total Transfer to General Operating	4,297.6	4,503.9	4,672.0	4,852.2	5,030.4
Utility Administration Charge Transfer	2,465.4	2,599.6	2,716.1	2,836.2	3,231.8
Total Transfers	6,763.0	7,103.5	7,388.1	7,688.4	8,262.2

Transfers From Reserves

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus, the net revenue of the Real Estate operations (primarily revenue from the sale of land), and unexpended capital funds that are returned to the reserve. The following table provides a projection for the General Fund Reserve.

General Fund Reserve ($000's)

	2009	2010	2011	2012	2013
Reserve Balance - Start of Year	**25,701**	**16,637**	**16,537**	**16,537**	**16,537**
Projected Contributions					
Operating Surplus	-	-	-	-	-
Transfers from Capital	-	-	-	-	-
Uses of Reserve Funds:					
Transfer to Asset Revitalization Reserve	(539)	-	-	-	-
General Operating Budget	(6,461)	-	-	-	-
Civic Election	-	-	-	-	-
Canadian Country Music Awards	-	-	-	-	-
Mosaic anniversary	-	-	-	-	-
Donation of Equipment to Ipsco Place	-	-	-	-	-
Scotties Tournament of Hearts	-	-	-	-	-
Gemini Awards	-	-	-	-	-
International Tattoo	-	-	-	-	-
Centennial Immigrant Sculpture	-	-	-	-	-
Government House	(20)	-	-	-	-
National Comedy Festival	-	-	-	-	-
International Junior Hockey Tournament	(250)	(100)	-	-	-
General Capital Program	-	-	-	-	-
Prior Year Capital Allocation	-	-	-	-	-
Global Transportation Hub	(1,495)	-	-	-	-
Land Development	(300)	-	-	-	-
Reserve Balance - End of Year	**16,637**	**16,537**	**16,537**	**16,537**	**16,537**

At 2008 year end, the General Fund Reserve has an unaudited balance of about $25.7 million as a result of the 2008 surplus, strong sales of industrial land, and some unexpended capital funds returned to the reserve.

The transfer from the General Fund Reserve to the operating and capital budgets is $9.06 million for 2009, which includes:

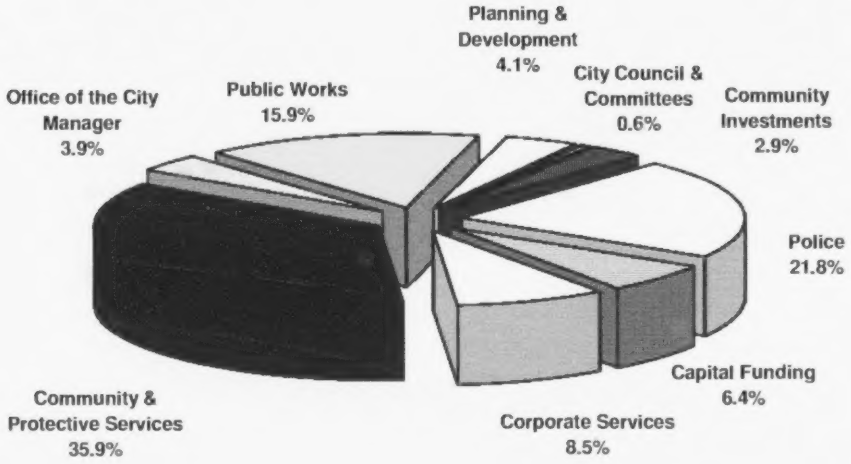
- $2.0 million to fund the costs of 2009 reassessment appeals,
- $3.829 million to fund 2009 specials from the 2008 surplus,
- $632.3 thousand to fund 2009 additions from the 2008 surplus,
- $538.6 thousand as a transfer to Asset Revitalization Reserve from the 2008 surplus,
- $20.0 thousand for Government House,
- $250.0 thousand for the International Junior Hockey Tournament,
- $1.495 million to fund annexation costs related to the Global Transportation Hub, and
- $300.0 thousand to fund industrial land development costs.

General Operating Expenditures

Operating Expenditure Summary ($000's)

Expenditures	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	 Per Cent Change
City Council and Committees	1,414.3	1,269.9	**1,577.4**	163.1	11.5
Community Investments	6,416.2	6,157.4	**7,492.6**	1,076.4	16.8
Office of the City Manager	8,399.6	7,229.0	**9,965.9**	1,566.3	18.6
Community & Protective Services	85,004.5	85,109.0	**91,915.4**	6,910.9	8.1
Public Works	36,682.7	41,873.3	**40,768.8**	4,086.1	11.1
Corporate Services	19,419.6	19,028.5	**21,836.3**	2,416.7	12.4
Planning & Development	10,235.5	11,509.7	**10,417.5**	182.0	1.8
Civic Operating Subtotal	167,572.4	172,176.8	**183,973.9**	16,401.5	9.8
Capital Funding	15,272.5	15,264.9	**16,352.9**	1,080.4	7.1
Police Department	52,822.9	53,796.2	**55,717.3**	2,894.4	5.5
Total	235,667.8	241,237.9	**256,044.1**	20,376.3	8.6

2009 Operating Expenditures

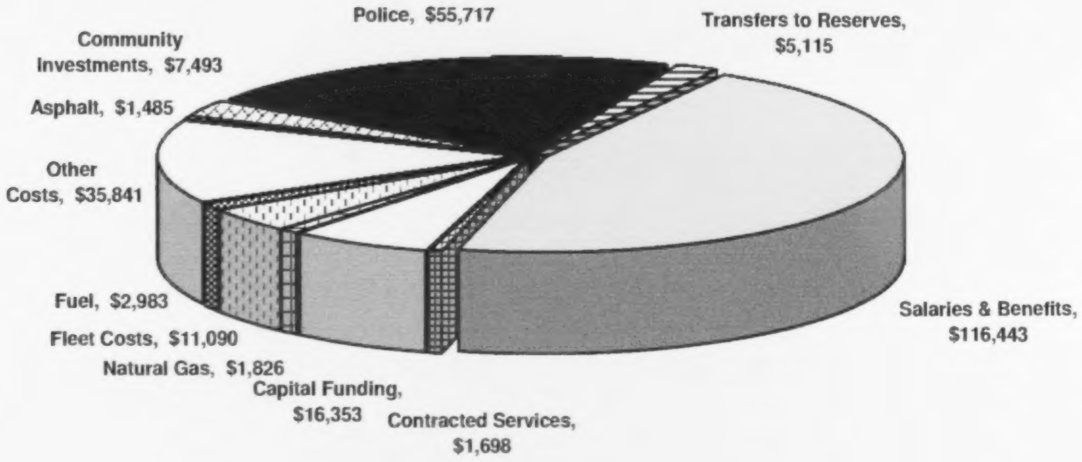


Operating Expenditure Summary ($000's) by Type of Expenditure

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Salaries & Benefits	105,156.2	101,926.1	**116,443.0**	11,286.8	10.7
Contracted Services	1,688.0	6,128.1	**1,698.0**	10.0	0.6
Community Investments	6,416.2	6,157.9	**7,492.6**	1,076.4	16.8
Fuel	2,937.6	3,040.4	**2,982.5**	44.9	1.5
Natural Gas	1,458.3	1,492.6	**1,826.1**	367.8	25.2
Asphalt	1,324.2	1,488.4	**1,485.3**	161.1	12.2
Transfers to Reserves	5,293.9	9,447.9	**5,114.5**	(179.4)	(3.4)
Fleet Costs	9,990.1	8,999.2	**11,090.3**	1,100.2	11.0
Other Costs	33,307.9	33,496.2	**35,841.6**	2,533.7	7.6
Civic Operating Subtotal	167,572.4	172,176.8	**183,973.9**	16,401.5	9.8
Capital Funding	15,272.5	15,264.9	**16,352.9**	1,080.4	7.1
Police Department	52,822.9	53,796.2	**55,717.3**	2,894.4	5.5
Total	235,667.8	241,237.9	**256,044.1**	20,376.3	8.6

Note:
2008 Budget has been restated for Asphalt and Fleet Costs.

2009 Operating Expenditures
(thousands of dollars)



Why Have Expenditures Increased?

The increase in expenditures for 2009 is about $20.4 million, or an increase of 8.6%. Details of the increase are provided in the next table and the discussion that follows.

Summary of Expenditure Increases – 2008 to 2009

	Amount of Increase		Per Cent Increase
Salaries and Benefits:			
City Council	11,100		
Office of the City Manager	600,300		
Corporate Services	941,500		
Community & Protective Services	4,348,000		
Planning & Development	218,300		
Public Works	1,547,500		
Subtotal		$ 7,666,700	
Specials and Additions:			
2009 Specials and Additions	6,775,500		
Delete 2008 Specials	(2,280,700)		
Subtotal		4,494,800	
Less Reinvestments:			
Specific Items	(1,159,400)		
Subtotal		(1,159,400)	
Other Expenditure Changes:			
Allocated Landfill Disposal Costs	2,215,000		
Fleet Costs	1,042,900		
Other Purchased Services (Including Wascana Centre Authority)	690,700		
Transfer to Landfill Reserve	(514,300)		
Electricity	398,600		
Paratransit Services	279,600		
Natural Gas	266,900		
Grants and Sponsorship	249,400		
Asphalt	176,600		
Software Maintenance Charges	154,300		
Consulting Services	145,600		
Gravel & Sand	127,000		
Vehicle Replacement Parts	101,400		
Transfer to Reserve	74,900		
General Supplies	63,300		
Telephone Charges	53,800		
Traffic Control Equipment & Supplies	50,000		
Landscaping Supplies	49,300		
Other Cost Changes	(225,600)		
		5,399,400	
Total Civic Operating Increase		17,481,900	9.6%
Capital Funding:			
Contributions to Capital - Civic	-		
Contributions to Capital - Police	207,000		
Debt Costs	873,400		
Subtotal		1,080,400	
Police Budget Increase:		2,894,400	5.5%
Total Increase - 2008 to 2009		20,376,300	8.6%

In developing the budget, increases in expenditures must be substantiated. **There is no general inflationary increase applied to expenditures.**

Salary and Benefits

The increase in the civic portion of the budget for salaries and benefits of about $7.7 million resulted from:

- The collective agreements for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and The International Association of Fire Fighters Local 181) expired at the end of 2006. New agreements have been reached with all civic unions. Arbitration processes were resolved with the Civic Middle Management and the International Association of Fire Fighters Local 181 unions in 2008.

- Salary and benefit costs have increased in part due to merit increases provided in collective agreements and classification changes.

The next table provides a summary of the staff complement reflected in the General Operating Budget for 2008 and 2009.

The staff complement in the table does not include positions funded through other budgets, including the Water and Sewer Utility Budget, the Costing Fund Budget or the General Capital Budget.

General Operating Budget Staff Complement (FTE's)

	2008			2009			
Department	**Permanent**	**Casual**	**Total**	**Permanent**	**Casual**	**Total**	**Change**
Civic Administration							
Mayor's Office	6.0	1.0	**7.0**	5.0	1.0	**6.0**	(1.0)
Office of the City Manager	81.2	1.8	**83.0**	85.2	3.8	**89.0**	6.0
Community & Protective Services	681.5	172.3	**853.8**	690.8	175.1	**865.9**	12.1
Public Works	178.7	59.9	**238.6**	186.7	61.8	**248.5**	9.9
Corporate Services	292.1	25.3	**317.4**	303.1	29.7	**332.8**	15.4
Planning & Development	70.1	4.2	**74.3**	74.1	9.2	**83.3**	9.0
Civic Total	1,309.6	264.5	**1,574.1**	1,344.9	280.6	**1,625.5**	51.4
Police Department	512.5	19.0	**531.5**	522.0	21.0	**543.0**	11.5
Total	1,822.1	283.5	**2,105.6**	1,866.9	301.6	**2,168.5**	62.9

The changes in the staff complement for the Civic Administration include:

In the Mayor's Office, the changes are as follows:

- A reduction of 1.0 position. The position transferred to the Office of the City Manager in Strategic Planning/Performance.

In the Office of the City Manager, the changes are as follows:

- An addition of 1.0 permanent Access to Information and Privacy Coordinator. This position is responsible for providing education, training, and creating standards for all employees on *The Local Authority Freedom of Information and Protection of Privacy Act* to ensure public access to records and to protect the privacy of confidential and personal information.
- An addition of 1.0 permanent Special Projects Coordinator – Responsible for coordinating special projects such as the Municipal/School Board Election, Reassessment appeal process, citizen appointment process, committee structure review and implementation.
- An addition of 1.0 permanent junior marketing position for the operation and continued coordination of the corporate and community marketing programs.
- An addition of 1.0 permanent position to manage and maintain the City's website including policies, procedures, and standards.
- 2.0 casual employees in the role of Project Management Analyst to build organization capacity within Service Regina to lead corporate customer service projects and to develop overall customer service improvements within the organization. The additional front-line support positions provide capacity to support long-term integration of the customer service functions within the Customer Service Centres, by providing front-line employees with the opportunity to cross-train into other lines of business consolidated into the front-line service operations without impacting the level of service provided to the public.

In Community & Protective Services, the changes are as follows:

- An addition of 2.0 permanent positions in Fire.
- An addition of 2.4 casual positions in the Parks and Open Space Department to maintain new or upgraded open space.
- An addition of 0.7 casual positions for the Cankerworm Control Program.
- An addition of 1.0 permanent position for Coordinator, Cemeteries.
- An addition of 3.0 permanent positions in Bylaw Enforcement.
- An addition of 1.0 term/casual position for Paratransit Quality Assurance Officer.
- A reinvestment of 1.0 permanent position as Business & Performance Support Strategist.
- A reinvestment of 1.0 permanent position as Administrative Assistant for Community Services.

In Public Works, the changes are as follows:

- An addition of 0.5 permanent positions and 0.5 casual positions to operate the Grinder at the Landfill.
- An addition of 0.5 permanent positions to further diversify materials at the Landfill.
- A conversion of a casual position to permanent for asphalt maintenance for City Growth and Expansion.
- An addition of 1.0 permanent position and a decrease of 1.0 casual position for concrete maintenance for City Growth and Expansion.
- An addition of 0.5 casual positions for maintenance of new gravel roads from annexation.
- An addition of 1.0 permanent position for senior engineer expertise in Roadway Operations.
- An addition of 2.0 permanent positions to support new business at the Landfill.
- An addition of 2.4 casual positions for Traffic Flag persons and Sign Maintenance.
- An addition of 1.0 permanent positions to support the Urban Highway Connector Program.
- An addition of 1.0 permanent positions to support Business Process Improvements.
- An addition of 0.3 casual positions for Rear Alley Container Maintenance.
- An addition of 0.2 casual positions for Solid Waste Management.

In Corporate Services, the changes are as follows:

- A change in 5.0 casual positions to permanent.
- An addition of 2.0 permanent and 1 casual positions for Facilities Management Services as a result of restructuring.
- An addition of 1.0 casual position for Financial Services.
- An addition of 1.0 position related to training and corporate training.
- An addition of 1.0 permanent and 3.0 casual positions in IT to support the growing infrastructure and technology requirements.
- An addition of 1.0 permanent and 2.1 casual positions related to recruitment.
- An addition of 1.0 permanent and 1.8 casual positions to support the Tangible Capital Assets and Oracle R12 Upgrade.
- An addition of 0.5 casual position for vacation and sick time relief (backfill) funding for cleaner and building positions at City Hall.

In Planning & Development, the changes are as follows:

- An addition of 1.0 permanent position as Manager of Strategic Support.
- An addition of 1.0 temporary position as PAIID Project Clerk.
- An addition of 2.0 permanent positions as Senior Community Planner and Community Planner I.
- A reduction of 1.0 permanent position as a Residential Business Inspector.
- An addition of 4.0 casual clerk positions in the Assessment Division.

For details in changes to the Regina Police Services staff complement, see the Regina Police Services 2009 Strategic Plan and Budget.

Additions and Specials

The additions and specials for 2009 total $6,775,500. Additions refer to ongoing additions to the base budget that will also be required for future years. Specials refer to one-time requirements for the 2009 budget only. Additions and specials are described in further detail in the divisional operating expenditure summaries in the following sections.

The total cost of additions is $2,946,400, while the cost of specials is $3,829,100. The additions and specials are aligned with City Council's Vision and the Corporate Strategic Plan.

Additions include amounts requested for Community Investments:

- $50,000 for Community Associations
- $100,000 for Non-Profit Organizations
- $100,000 for the Arts

Specials included in the budget that are funded entirely by external parties include:

- $37,000 for the Urban Aboriginal Leadership Program & Crime Prevention Week
- $277,500 for the West Nile Virus Mosquito Control Program

The total cost of these items is $314,500 and corresponding revenue has been included in the 2009 budget.

City Council and Committees

Overview

City Council is responsible for the governance of the City of Regina, subject to Provincial legislation. Members of City Council are elected every three years in a municipal election. The next election is Wednesday, October 28, 2009. The Mayor is elected at large. The City of Regina uses a ward system for electing Councillors, with the city divided into ten wards and one Councillor elected in each ward. City Council establishes policies and budgets for the programs and services delivered by the City of Regina. City Council and Committees includes the budgets for:

- The Mayor's Office.
- City Council, including the remuneration of the Councillors, the Councillors' travel and communication allowance, support services and other costs related to City Council.
- Committees established by City Council.
- Memberships in various organizations, including the Saskatchewan Urban Municipalities Association and the Federation of Canadian Municipalities.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Mayor's Office[1]	623.4	529.5	**598.3**	(25.1)	(4.0)
City Council[1]	508.1	517.5	**555.9**	47.8	9.4
Committees	131.7	102.0	**279.0**	147.3	111.8
Corporate Memberships	131.1	121.0	**124.2**	(6.9)	(5.3)
Jinan Twinning	20.0	(0.1)	**20.0**	-	-
Total	1,414.3	1,269.9	**1,577.4**	163.1	11.5

Note:

1. City Council adopted Bylaw 2001-108 that established, effective January 1, 2002, a formula for the remuneration of the members of City Council. The Mayor's remuneration is 77.3% of a Provincial Cabinet Minister's salary for the prior year. The remuneration for a Councillor is one-third the remuneration of the Mayor.

By Expense Object

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Salaries & Benefits	880.9	812.1	**1,023.1**	142.2	16.1
Advertising & Media Related Services	30.7	36.1	**39.7**	9.0	29.3
Office & Administrative Expenses	435.5	373.4	**453.3**	17.8	4.1
Allocated Cost	67.2	48.3	**61.3**	(5.9)	(8.8)
Total	1,414.3	1,269.9	**1,577.4**	163.1	11.5

Staff Complement

Full Time Equivalents	2008	2009
Permanent	6.0	5.0
Casual	1.0	1.0
Total	7.0	6.0

Analysis of Operating Expenditure Budget Change

Details	($000's)
2008 Budget	1,414.3
1. Salaries and Benefits - includes cost changes resulting from merit increases, classification reviews, employer benefit costs and honorariums. (Base)	105.3
2. Position Transfer (1.0 permanent FTE) - transferred to the Office of the City Manager. (Base)	(87.9)
3. Board of Revision - 2009 Reassessment - pursuant to the Assessment Management Agency Act, all assessable properties are to be revalued every four years starting in 1997. 2009 is a reassessment year. (Special)	136.5
4. Travel Allowance - this is in relation to the Travel Carry Over Allowance for Councillors provided pursuant to the Elected Official Travel Policy. (Special)	44.7
5. Remove 2008 Specials	(3.0)
6. Reinvestment - using electronic libraries and mediums instead of printing.	(12.5)
7. Other Cost Changes - changes to budget based on actual expenditure trends.	(20.0)
2009 Budget	1,577.4

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Community Investments

Overview

Community investments are payments to individuals or organizations for a variety of purposes allocated through the following Committees:

- The Community & Protective Services Committee provide financial support to community associations and organizations that provide arts, cultural, recreation, community, and social services.
- The Finance and Administration Committee provides financial support for economic and promotional purposes.
- The Executive Committee provides financial support for capital purposes to the Regina Exhibition Association Limited and funding to the Economic Development Investment Fund. The amount allocated in 2008 has been provided to the Regina Regional Economic Development Authority.

City Council determines the total allocation for the year, and the allocation to each Committee.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Community & Protective Services Committee(1)	3,051.7	2,851.0	**3,301.7**	250.0	8.2
Finance and Administration Committee					
Tourism Regina	268.5	268.5	**268.5**	-	-
Canadian Western Agribition	45.0	45.0	**45.0**	-	-
Royal Red Canadian National Horse Show	10.0	10.0	**10.0**	-	-
University Industry Liaison Office	200.0	200.0	**200.0**	-	-
Henry Baker Scholarships	12.0	10.0	**12.0**	-	-
Conference Transportation	16.8	13.4	**-**	(16.8)	(100.0)
Other Finance and Administration	3.8	9.2	**-**	(3.8)	(100.0)
	556.1	556.1	**535.5**	(20.6)	(3.7)
Executive Committee					
Evraz Place	400.0	400.0	**400.0**	-	-
Government House Foundation	20.0	20.0	**20.0**	-	-
Special Events	170.0	142.4	**170.0**	-	-
Corporate Sponsorship Program	30.0	8.6	**30.0**	-	-
Saskatchewan International Tattoo Inc.	25.0	25.0	**-**	(25.0)	(100.0)
Scotties Tournament of Hearts	50.0	40.9	**-**	(50.0)	(100.0)
National Comedy Festival	50.0	50.0	**-**	(50.0)	(100.0)
IIHF World Junior Hockey	-	-	**250.0**	250.0	100.0
	745.0	686.9	**870.0**	125.0	16.8
Economic Development Investment Fund(3)	534.4	534.4	**534.4**	-	-
Wascana Centre Authority (2)(3)	1,529.0	1,529.0	**2,251.0**	722.0	47.2
Total	6,416.2	6,157.4	**7,492.6**	1,076.4	16.8

Note:

1. *The 2009 Budget for the Community & Protective Services Committee includes an additional Community Investment of $250,000.*
2. *Wascana Centre Authority ("WCA") Board unanimously approved a request for an 8% increase in the City's voluntary "Maintenance of Lands" payment. The City's portion of a $2 million capital allotment which would be directed toward significant infrastructure renewal and development projects as well as lay the foundation for a best practices, prioritized, infrastructure renewal plan for items such as irrigation, buildings, playgrounds, and roadways is $600,000.*
3. *These funds are administered through the Executive Committee.*

Capital Funding

Overview

The City funds a portion of the General Capital Program through contributions from the operating budget. The operating budget also funds the repayment of debt costs for debt issued to fund capital projects. In accordance with Section 129(1) of *The Cities Act*, the budget is to include "**the amount to be transferred to the capital budget**". In accordance with Section 129(1)(b) the budget is also to include "**the amount needed to pay all debt obligations with respect to borrowings of the city**".

The contributions to capital include two components:

- The contributions to capital to fund the capital budget as submitted by the Board of Police Commissioners.
- The contributions to capital to fund the civic portion of the General Capital Program, excluding the capital program for the Regina Police Service.

Further details of the 2009 General Capital Investment Program are summarized under each Division within this document, and detailed in the 2009 – 2013 General Capital Program document.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Contributions to Capital - Civic	12,604.0	12,604.0	**12,604.0**	-	-
Contributions to Capital - Police	845.0	845.0	**1,052.0**	207.0	24.5
Debt Charges	1,823.5	1,815.9	**2,696.9**	873.4	47.9
Total	15,272.5	15,264.9	**16,352.9**	1,080.4	7.1

Office of the City Manager

Mandate

The Office of the City Manager is Council's link to the Administration. The Office provides executive direction, strategic guidance, and governance support to the Corporation and its officials. It facilitates in the areas of government relations, strategic planning, communications, customer service and organizational effectiveness. The Office also provides advice and support on matters of municipal governance, strategy and protocol, and ensures the City operates according to its legislative requirements.

Overview

The management of the civic administration of the City of Regina (excluding the Regina Police Service) is the responsibility of the City Manager. Appointed by City Council, the City Manager's authority is established by the City Manager's Bylaw 2003-70 and the Regina Administration Bylaw 2003-69.

The Office of the City Manager also includes the following branches reporting to the Chief of Staff:

- Communications – leads the development of communications and marketing programs and activities to help the corporation effectively communicate programs and services to the public as well as the City's partners and stakeholders.

- Government Relations – provides a central point of contact for ongoing relationships with stakeholders, including the Provincial and Federal Government, surrounding municipalities, other local governing bodies, Aboriginal organizations, SUMA, Federation of Canadian Municipalities, and "twinned" or partner municipalities.

- Quality and Innovation – provides expertise in organizational effectiveness and business re-design. The branch works in partnership with various business partners to achieve the Corporation's strategic priorities. Its services include business consultation, process facilitation, best practice research, and project and change management.

- Service Regina – champions implementation of the City's customer service strategy and works to achieve the City's goal of providing excellent customer service to the community. The branch also includes the day-to-day provision of customer service, which includes in-person service delivery on the main floor of City Hall; and call centre operations, which provide information and services to customers for a broad range of city programs and services.

- Strategic Planning – is responsible for leading the strategic and business planning processes at the City of Regina. The branch is also responsible for the Corporate Performance Management Program, which includes the development of performance measures, benchmarking and analysis, taking action on results and reporting results.

In addition, the following offices provide support to the Administration in coordination with the Office of the City Manager:

- The Office of the City Solicitor – provides legal services to the Corporation and ensures the City is administered in accordance with the law, as well as prosecutions and risk management.

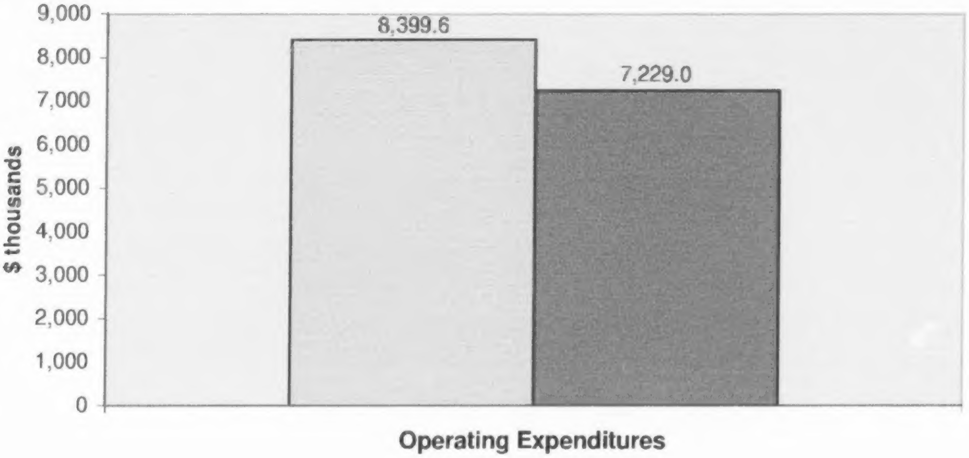
- The Office of the City Clerk – ensures Council is advised of its legislative responsibilities, assuring the provision of public notice, the execution of corporate documents, attending all Council meetings, and maintaining minutes, safely maintaining all City bylaws; records related to the business of City Council and Committees. This office also provides legislative advice and support to all City Divisions, departments and branches concerning the public's right to access corporate information, the protection of privacy of individuals and the management of corporate records and information.

Key Facts

- In 2008, the City of Regina website, managed by the Communications Department received more than 900,000 visits. The 2008 Omnibus survey indicates that 47 per cent of Regina residents would use the website as their first choice when seeking information about City programs and services.
- The two Service Regina contact centres received a combined 187,732 calls in 2008 and answered 177,556 achieving the abandoned rate target of 5%.
- Administrative and procedural support was provided for City Council and 28 committees.
- In 2008, 322 agendas were created and delivered to elected officials and citizen members of committees. Administrative support was provided for an average of 27 meetings per month.
- In 2008, Quality and Innovation Branch (Q&I) supported the corporate restructuring and twenty projects disbursed throughout the corporation, three of which were identified in the Core Services Review in 2004.

2008 Highlights

Financial Performance



Operational Highlights

- City Council, jointly with the Administration, updated the Vision for Regina, which was used to develop the Corporate Strategic Plan, Accelerating Excellence 2008-2012.

- The City of Regina is supportive of urban reserve creation and as such, look forward to working with First Nation communities, through municipal service agreements, to advance and promote economic development that benefit our community as a whole. The following Municipal Services Agreements were signed with Cowesses First Nation Municipal Agreement (April 2008), Starblanket Municipal Service Agreement and two urban reserves received federal designation – Nakaneet First Nation (September 2008) and Piapot First Nation (March 2008).

- In 2008, Communications began work on a major project to brand Regina in cooperation with community partners including Regina Regional Economic Development Authority, The Regina and District Chamber of Commerce, Tourism Regina, Downtown Regina, and Regina's Warehouse District. The branding project will be complete in 2009 and help the community's marketing efforts to attract business, investment, visitors, and families.

- In June 2008, Communications led the launch of a revamped City of Regina website. The site was restructured and the content re-written to better meet the needs and expectations of residents. Testing showed that users were able to find the content they wanted on the new website 2-3 times faster than on the previous site.

- In September 2008, Service Regina launched the Corporate Customer Service Strategy and launched a number of projects to improve customer service delivery such as corporate customer service training and a review of our customer contact processes. These projects will continue in 2009 and are foundational to build and reinforce a customer service culture.

- The Office of the City Clerk sponsored and participated in a Committee Structure Review that was conducted by an external consultant. Thirteen presentations to affected committees of Council were conducted over 12 days prior to final recommendations being submitted to City Council. There were approximately 87 recommendations that were adopted almost in its entirety by City Council.

- The Office of the City Clerk developed and implemented a corporate training program on report writing and introductory municipal governance. To date, one hundred employees have been trained.

- In 2008, the Office of the City Clerk implemented electronic agenda distribution within the corporation that resulted in a significant paper reduction for the office and City as a whole. This was achieved through the use of the City of Regina website.

- The Office of the City Clerk developed a file structure for thirteen business areas, seven are completed, and six are awaiting business area approval. Preliminary discussions have been held with another six business areas. There are 24,568 boxes of corporate records stored at the off-site storage facility, which is a 7% increase over 2007 indicating that a number of business areas have been trained on the inventory process and are actively working on it. The next step is to implement a regular records disposal process. There were 44,532 documents from various departments microfilmed in 2008.

Strategic Priorities

The Office of the City Manager will initiate projects and activities both corporately and divisionally to support all of the Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. The 2009 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Divisional

- This Division is primarily focused on providing leadership and support for long-term asset and financial management strategies as they are developed primarily in other divisions.
- The Communications and Government Relations branches will play a significant role in communicating asset management requirements, including financing, to the public and to other orders of government.

Our Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes.
- Reliable water, wastewater, storm and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- The extension of the full planning cycle beyond divisions to departments and branches, including detailed work plans and a Corporate Performance Management Program.

Divisional

- The development and implementation of a Divisional Contemporary Workplace Plan.
- Continued implementation of Core Service Recommendations.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Divisional

- This Division is primarily focused on providing leadership, support, and overall integration of the Community, Transportation, Infrastructure, Downtown, and Community Development Plans, being developed primarily in other divisions.
- Coordinating and conducting the 2009 Municipal/School Board Election for the purpose of electing members of City Council and the Public and Separate School Boards.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance vibrancy of downtown.
- Targeted community development activities within inner city neighbourhoods.
- A consolidated approach to providing community investments.
- A safe living and working environment for the community.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- The implementation of the City's Performance Management Program with established service level standards and metrics based on a combination of inputs, outputs, and outcomes.
- The implementation of our Customer Service Strategy, which will strengthen customer service delivery capabilities to our community.
- The development and implementation of a Public Engagement Framework.

Divisional

- Coordinate and effectively implement the municipal election for 2009.

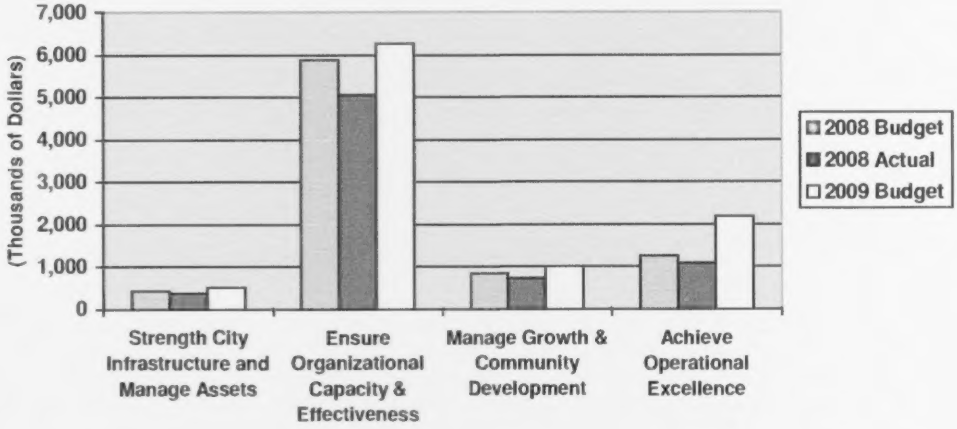
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the City Manager's Office has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format the City Manager's Office has summarized its operating budget as follows:

By Business Unit

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	Per Cent Change
Administration	825.3	714.0	**989.5**	164.2	19.9
Quality and Innovation	579.5	421.7	**565.1**	(14.4)	(2.5)
Service Regina	1,505.1	1,192.0	**1,028.3**	(476.8)	(31.7)
Government Relations	110.6	107.7	**121.4**	10.8	9.8
Strategic Planning	260.0	303.7	**570.8**	310.8	119.5
Communications	1,177.6	949.3	**1,862.1**	684.5	58.1
City Solicitor's Office	2,571.0	2,326.3	**2,955.9**	384.9	15.0
City Clerk's Office	1,370.5	1,214.3	**1,872.8**	502.3	36.7
Total	8,399.6	7,229.0	**9,965.9**	1,566.3	18.6

By Expense Object

Expenditures	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	Per Cent Change
Salaries & Benefits	5,795.4	5,207.2	**6,891.3**	1,095.9	18.9
Employee Related Payments	246.9	206.6	**246.5**	(0.4)	(0.2)
Office and Administrative Expenses	1,275.5	1,018.7	**1,178.5**	(97.0)	(7.6)
Professional Services	900.7	492.2	**1,695.1**	794.4	88.2
Office & Field Supplies	216.7	362.3	**187.4**	(29.3)	(13.5)
Utilities & Rentals	71.6	62.2	**74.6**	3.0	4.2
Other Expenditures	138.1	11.3	**49.5**	(88.6)	(64.2)
Allocated Cost	(245.3)	(131.5)	**(357.0)**	(111.7)	45.5
Total	8,399.6	7,229.0	**9,965.9**	1,566.3	18.6

Staff Complement

Full Time Equivalents (FTE's)	**2008**	**2009**
Permanent	81.2	85.2
Casual	1.8	3.8
Total	83.0	89.0

Note:
Budget and Actual numbers and the FTE's have been restated to reflect the current organizational structure.

Analysis of Operating Expenditure Budget Change

Details	**($000's)**
2008 Budget	8,399.6
1. Salaries and Benefits - includes cost changes resulting from merit increases, classification reviews, employer benefit costs and honorariums. (Base)	600.3
2. Allocated Internal Cost Recovery - represents Service Regina funding from the Sewer and Water Utility and recovery of legal fees. (Base)	(117.2)
3. Other Expenditure Changes - changes to budget based on actual expenditure trends. (Base)	26.9
4. Program and Service Communications - Reflects the amount required to better communicate a number of City of Regina programs and services to residents. (Addition)	200.0
5. Special Projects Coordinator (1.0 Permanent FTE) - responsible for coordinating special projects such as the Municipal/School Board Election, Reassessment appeal process, citizen appointment process, committee structure review and implementation. (Addition)	70.7
6. Annual Research Program - to establish an annual research program to enable measurement for performance management and program and service development and evaluation. (Addition)	60.0
7. Web Management (1.0 Permanent FTE) - These funds will establish a position to manage and maintain the City's website including policies, procedures and standards. (Addition)	37.5

Details	**($000's)**
8 Junior Marketing Coordinator (1.0 Permanent FTE) - Junior marketing position responsible for the operation and continued coordination of the corporate and community marketing programs. (Addition)	35.0
9. Access to Information and Privacy Coordinator (1.0 Permanent FTE) - responsible for providing education, training and creating standards for all employees in *The Local Authority Freedom of Information and Protection of Privacy Act* to ensure public access to records and to protect the privacy of confidential and personal information. (Addition)	32.7
10. Municipal/School Board Election - the next election is to be held on October 28, 2009. The Public and Separate School Boards share approximately 50% of the cost of the election. (Special)	320.8
11. Strategic Innovation Funding - to support projects that can assist in implementing Core Services Review initiatives and the achievement of the Strategic Plan. (Special)	200.0
12. Legal Services - pursuant to Section 20 of The Regina Administration Bylaw, the City Solicitor is responsible for retaining and instructing outside counsel on legal matters on behalf of the Corporation. (Special)	120.0
13. Term Positions (2.0 Casual FTE) - positions to build organizational capacity within Service Regina to lead corporate customer service projects and to develop overall customer service improvements within the organization. The additional front-line support positions provide capacity to support long-term integration of the customer service functions within the Customer Service Centers. By providing front-line employees with the opportunity to cross-train into other lines of business consolidated into the front-line service operations without impacting the level of service provided to the public. (Special)	130.0
14. External Consultant - ensure the selection of specific management consulting firms is in alignment with our corporate language and business models, compliments the skill sets within the corporation, apply leading practices for contract management, more efficiency in processing a minimum of standard consulting agreements (e.g. less work for Legal, Purchasing, Clerks, etc.) mitigating risk by ensuring consistent adherence to The Regina Administration Bylaw and better value for our investment overall if managed strategically and centrally. (Special)	110.0
15. Corporate Customer Service Training - to provide resources for the development, coordination and delivery of corporate customer service training. This initiative is a project within Service Regina (in partnership with Human Resources) and this project will transition to Human Resources as a corporate customer service training program available as part of an ongoing learning strategy and program. (Special)	50.0
16. Remove 2008 Specials - primarily related to Customer Service Strategy and Consulting Services.	(660.7)
17. Reinvestment - various operational services identified.	(82.2)
18. Reorg To/From - Result of various organizational changes. This is primarily due to the consolidation of advertising funding to the Communications Division.	432.5
2009 Budget	9,965.9

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Community & Protective Services Division

Mandate

We build, shape, and strengthen our community by providing services that meet the needs and expectations of the people we serve. We achieve this through public transportation, parks, open space, recreation, culture, community services, and fire and protective services.

Division Role

The Community & Protective Services Division provides a broad and diverse range of services, which ensure and enhance the quality of life for all residents, neighbouring municipalities, and visitors. The Division:

- Provides opportunities for fun and enjoyment for individuals, groups and for the diverse interests of all ages and backgrounds.
- Designs, develops, and delivers programs that promote physical and psychological well being.
- Facilitates physical and mental development, health, and fitness.
- Ensures safe, well maintained, and attractive living and working environments.
- Prevents, prepares, and responds to emergencies that threaten people, property, and the environment.
- Ensures business continuity plans are in place.
- Assists in the management of both formal and informal public events and celebrations.
- Ensures access to public, private, and commercial facilities, services, activities, events, and programs through the provision of transportation services.
- Facilitates social development and inclusion strategies for all citizens including Aboriginal, senior, disabled, youth, and economically disadvantaged residents.

The Division provides these quality of life elements within a safe, healthy, attractive, well maintained, and diverse urban landscape and in a safe, reliable, and affordable manner. Through its services, the Community & Protective Services Division contributes significantly towards helping the City achieve its aspiration to be "vibrant, inclusive, attractive, and sustainable where people live in harmony and thrive in opportunity."

Organizational Overview

The Division consists of four Departments and the Office of the General Manager. The Strategy Circle, the Division Leadership Team, consists of the General Manager, the four Directors, and the Manager of Strategic Services.

Office of the General Manager – Strategic and Business Services

This unit provides strategic advice and input to the Division's Leadership, assists in realizing the corporate strategic plan and the identified corporate and divisional strategic priorities, as well as supports cross-departmental and cross- divisional functions.

- Provides administrative and clerical support to the Division.
- Provides a range of strategic and business services to the Division and Departments, such as process improvement and change initiatives, policy research and development, guidance and support for the implementation of corporate initiatives, Division communication, budget coordination, and project management for special projects.
- Ensures coordination between Division initiatives and actions and the corporate support based areas.

Community Services Department

This department contributes to building a safe, healthy, inclusive, and sustainable community through developing culture, recreation, and sport opportunities, and by supporting community and social development initiatives, investments and programs.

- Plans, designs, develops, operates, and programs major recreation facilities, neighbourhood recreation centres, the Neil Balkwill Civic Art Center, outdoor pools, arenas, and outdoor athletic facilities.
- Facilitates community investments such as grants, partnerships, sponsorships, and donations.
- Works in partnership with the arts and culture community to facilitate or undertake events and educational and development programs.
- Works with community organizations and a wide range of interest groups to provide leadership and facilitate community and social development to address community needs and social issues.

Parks & Open Space Department

This department enriches the lives of Regina residents by providing excellence in parks and open space management.

- Plans, designs, develops and maintains an extensive and diverse park and open space system consisting of attractive landscapes, the urban forest and outdoor recreation facilities, including the multi-use pathway system, athletic fields and playgrounds.
- Provides pest control services to ensure human health and safety and maintains the health of the urban forest.
- Maintains the City-owned golf courses and operates City-owned cemeteries.

Protective Services Department

This department provides a progressive level of protective services to preserve and enhance life, property and the environment.

- Develops and implements plans and procedures to manage emergency situations and special public events.
- Undertakes prevention and public education programs related to fire, natural disasters, and other emergency/crisis situations.
- Monitors, inspects, and investigates activities and development processes to ensure they are consistent with City bylaws and policies and federal and provincial acts and regulations.
- Provides fire suppression, emergency medical assistance, hazardous material mitigation and emergency response and rescue.
- Provides business continuity and emergency planning and management.
- Provides bylaw enforcement services.
- Manages licensing and municipal fines.
- Develops comprehensive technical training programs for skills transfer and knowledge gain that support departmental needs.

Transit Department

This department is committed to providing Regina residents and visitors with professional, accessible, urban transit services. Regina Transit is committed to building and maintaining strong partnerships within the community to deliver optimum services to our customers.

- Provides conventional transportation through a regularly scheduled, fixed route public transit system.
- Provides specialized transportation services to persons with disabilities and the elderly who are unable to use conventional public transit through scheduled, shared ride, door-to-door service.
- Provides charter service within a 25-kilometre radius of the city and event support, such as the Football Express and Ding in the New Year.
- Provides transportation for emergency situations.

Key Facts

- The Division operates three major recreation facilities (Sportplex with the Lawson Aquatic Centre and Fieldhouse, Sandra Schmirler Leisure Centre and Northwest Leisure Centre) which provide sport and fitness opportunities to approximately 1,000,000 users per year as well as the Neil Balkwill Civic Arts Centre, which provides arts and culture opportunities to approximately 70,000 users per year.

- The Division operates five outdoor pools that provide instructional and recreational opportunities to approximately 100,000 users per year.

- The Division manages 8 indoor arenas, 22 boarded outdoor ice sites, 42 pleasure skating sites (no boards), 2 pleasure skating lake sites, and an outdoor speed skating oval to provide winter recreational and competitive opportunities for residents of Regina.

- The Division provides access to facilities such as Mosaic Stadium at Taylor Field, 179 ball diamonds and 94 athletic fields (e.g. soccer, football, field hockey, lacrosse, rugby, lawn bowling greens) which results in recreational, training, and competitive opportunities being provided to approximately 25,000 participants annually.

- The Division operates six neighbourhood recreation centres and provides support to five community operated centres and two senior's citizen centres, which provide recreational, social, and educational opportunities. The City-operated neighbourhood centers attract an average annual attendance of approximately 370,000.

- Regina has one of the most extensive municipal park and open space systems in Canada, providing 11.4 ha of parkland per 1,000 people for a total of 2,100 ha.

- Regina has an urban forest comprised of more than 130,000 city-owned trees, which must be kept healthy. The Community & Protective Services Division successfully kept 2008 losses to disease and insect infestations to less than 1%.

- The Division maintains 6/10 minute response objective for fire and related emergency services.

- The Protective Services Department responds to a five-year annual average of 5,800 emergency dispatches for fire suppression, emergency medical assistance, hazardous material mitigation and rescue incidents.

- The Division operates 105 buses, which have travelled an average of just under five million kilometres and carry an average of 6.6 million riders annually over the last five years.

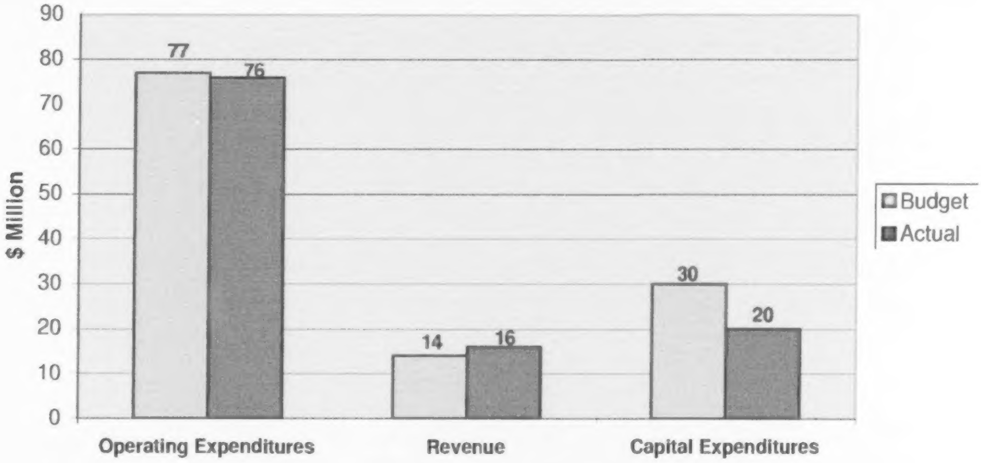
- Paratransit services were provided to an average of 184,000 passengers travelling 1.2 million km over the last five years.

- The Division manages the Civic Art Collection, which includes 325 pieces with a current value of approximately $1,250,000.

- The City provides funding for Community Investments administered through the Parks and Community Services Committee. These funds are distributed to over 170 non-profit groups to assist with building community capacity to provide arts, culture, sport, recreation, community and social development programs, and services which contribute to the enhanced quality of life for citizens of Regina.

2008 Highlights

Financial Performance



Operational Highlights

The level of public satisfaction with the services delivered through the Division remains high. This is evidenced by the Division's high ratings in the City's 2008 Omnibus Survey.

Other 2008 accomplishments of the Division include the following:

Community Services Department

A partnership was established with EVRAZ Place to assist in the revitalization of their facilities. This revitalization will include a multi-purpose facility featuring six new indoor ice surfaces that will be available to the community. This project is scheduled for completion in 2010.

The North Central Shared Facility Project had a wide range of planning and community engagement activities and events undertaken with a diverse group of partners. This unique concept is intended to provide and deliver a mix of community based cultural, social, educational, recreation health services using an integrated approach in one facility. This project will require financial contributions from all three orders of government and other partners. The planning for this facility targets construction in 2010-2011.

The Recreation Facility Strategy to 2020, which included extensive consultation with arts and culture, sport and recreation interests as well as the general public, was completed by an external consultant. The Department is exploring the consultant's recommendations in the context of the role of the municipality in providing recreation facilities for the public and is assessing options related to each recommendation based on criteria which include public feedback, cost analyses, partnership opportunities, and alignment with related corporate and stakeholder initiatives. A Recreation Facility Master Plan is being developed to help the corporation achieve its goal of ensuring that existing and new recreation facilities are maintained, renovated, and developed in a planned, co-ordinated, prioritized, and financially responsible manner.

The film industry was again very active in Regina. A range of projects from a Stephen King feature film to episodes of Corner Gas and Crime Series were shot. Fifty-three filming requests were facilitated.

Crime prevention and mitigation activities included Core Community crime prevention through environmental design (CPTED) audits, graffiti management on both public and private property, crime prevention week and strengthening partnership with the Regina Police Service, Community Associations and various neighbourhood groups.

Emphasis on First Nations and inner city residents continued in 2008. A highlight was the first annual First Nations and Métis awareness night organized in partnership with the City of Regina, Regina Pats Hockey Club, Casino Regina, Federation of Saskatchewan Indian Nations, File Hills Qu'Appelle Tribal Council, and Métis Nation of Saskatchewan. This event raised $3,000 to support the Oskana Minor Hockey Development League.

Several high level tournaments were hosted at city sports facilities this year. Most notable, the Canadian Girls Bantam Softball Championships, the Canadian Masters Track and Field Championships, and the Canadian Diving Championships.

With skateboarding now a mainstream recreation activity and competitive sport, Regina opened a new 17,000 square foot state of art skate plaza in July at Wascana Centre. The use throughout the summer was tremendous.

Fees and charges for rental services were reviewed and a strategy for 2008 through 2010 was developed to ensure an appropriate balance between user fees and subsidization.

E-Registration was implemented with great success enhancing customer service and improving operating efficiencies. This new system, along with an increased level of sport, culture, and recreation programming, resulted in a 14% increase in program registrations in 2008.

Parks & Open Space Department

The weather, as usual, contributed to the challenge of providing attractive urban landscapes and safe, functional outdoor recreation facilities throughout the city in parks and various forms of other open space. Although severe summer storms caused damage to trees, favourable fall weather conditions allowed outdoor floral displays to beautify the city until snowfall on Thanksgiving weekend.

Mosquito control also benefited from weather conditions. Coupled with a very successful monitoring and control program, the nuisance level was low and the West Nile Virus threat was far less than expected. The Dutch Elm disease monitoring program kept on top of the potential threat to our urban forest with only five trees diseased, detected, and removed.

The Parks & Open Space Department staff experimented with composting grass clippings and other plant material and utilized composted material to top dress athletic fields to improve the quality of these fields in a natural way.

Transit Department

The Department was able to continue modernizing our conventional bus fleet. Thanks to the Federal Transit Grant Program, low entry step, more fuel efficient and reduced exhaust emission buses were purchased.

The Transit Review Study was initiated in 2008 and will examine a wide range of current and future transportation needs and delivery possibilities. An exciting pilot project was the "Campus Express" which is meeting a public request to provide transportation for students, staff, and visitors from various parts of the city to the University of Regina, First Nations University, and SIAST.

Regina's public transit continues to help move residents and visitors for special times and events. Charter services within 25-kilometres of the city, "Ding-in-the-New-Year" with a professional driver at the wheel and Roughrider games transportation gained in popularity.

In 2008, the regular bus fleet travelled just over 5,200,000 kilometres and the Paratransit fleet travelled 1,200,000 kilometres.

Protective Services Department

Public satisfaction with fire services remains among one of the highest according to the 2008 Omnibus survey. The number of annual responses to fire, emergency medical, traffic accidents, vehicle extraction, technical rescues, and hazardous materials mitigation can be described as consistent and stable.

Improved equipment and communications technology have all contributed to meeting the City's 6/10 minute response objective over 95% of the time.

Fire and life safety education programs were targeted at high fire risk areas in the North Central, Core, and Al Ritchie inner city neighbourhoods. These programs were undertaken through partnerships with the Regina Police Service, Bylaw Enforcement, Public Works, the two school boards, and the Health Region's Child and Youth Services Section.

The new #4 fire station project proceeded into the design phase, which will incorporate green energy and innovative features that will make this facility one of the most energy efficient buildings in the City. This station will be located on the corner of Dewdney Avenue and Princess Street.

Training has continued to be a priority for all aspects of fire services. There were eleven new firefighters recruited, trained, and assigned to platoons for active duty.

A real highlight, which involved the Protective Services, Community Services, and Transit Departments, the school boards and other City departments, was feeding, accommodating, transporting, and providing recreation activities for over 300 individuals evacuated from remote and northern Saskatchewan areas affected by wildfires in the summer of 2008.

The Bylaw Enforcement Branch continues to work to improve the quality of properties and buildings through actions with owners and tenants to meet City bylaws and building codes. *The Regina Property Maintenance Bylaw* was revised and updated to help this effort.

The Licensing and Municipal Fines Unit was transferred to the Protective Services Department becoming part of the Bylaw Enforcement Branch.

Handheld technology was introduced for parking ticket issuance.

Strategic Priorities

Behind our ability to deliver on priorities and actions that address the challenges and opportunities are a number of key factors. It has been identified the importance of being flexible and dynamic in all approaches. To achieve success, open, transparent, and timely communication must be in place. The goal is to be leaders in the community and recognize that currently there is a huge level of expertise in the staff within the division and that the leadership level is strong. The Division is focused on leading change, cultivating relationships and creating an ongoing environment for change through "Building, Shaping and Strengthening" the division and the community.

Achieving the corporate priorities requires that specific priorities and actions be identified within each division. These key areas of focus form part of the "Line of Sight" that connects the activities of the employees to the strategic priorities and Council's vision.

The 2009 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- In 2008, the Division participated in the development of a Corporate Asset Management Framework. Using this new framework as a backdrop, work will continue on the evolution of long-term asset management plans for the tangible assets.
- The Division will be directly involved in the development of a long-term Technology Plan for the Corporation that focuses on supporting our workforce and operational needs.

Divisional

- Within the City's overall Facilities Management and Revitalization Plan, work will continue on the development of a Recreation Facility Master Plan to address the recommendations in the Recreation Facilities Strategy (RFS to 2020). This plan will provide direction to address renovation, upgrade, and expansion of sport, culture and recreation facilities, as well as the planning and development of new facilities to meet the needs of residents and visitors.
- Preparation will begin for a 2010 comprehensive Parks Condition Assessment in order to quantify the gap between existing and desired condition of parks and open space assets.
- The Division will partner with internal and external groups to renew Mosaic Stadium, expand and revitalize EVRAZ Place and explore the development of the North Central Shared Facility, which will be the first of its kind anywhere in the world.

Our Outcomes

- An adequate up-to-date, high quality, safe, functional, affordable, efficient, supply of recreation, sport, and cultural facilities.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest, and urban landscapes.
- Revitalized facilities.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- The development of employee participation initiatives that promote two way communication, involvement in process improvement and regular employee engagement surveys.

Divisional

- Work will continue on the cascading of business planning into the departments and branches within the division using the National Quality Institute principles for developing plans and strategies to accelerate excellence.
- Over a three-year period, work will continue to the development and implementation of a Divisional Contemporary Workplace Plan.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable, and engaged employees, supervisors and managers.
- A representative workforce.
- Balanced emergency response coverage and highly trained responders.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- The Division will lead the development of a comprehensive Community Development Plan that identifies priorities for the City's level of support to community organizations and level of responsibility and involvement in social programming.

Divisional

- The Division will play a key coordinating role in the completion of the EVRAZ Place Revitalization Project and will lead the development of an operating partnership to ensure the community benefits from the establishment of the multi-purpose arena facilities.
- The Division will assist in the development and implementation of a new Official Community Plan, the Downtown Plan, and Neighbourhood Plans.
- The Division will begin development of a Protective Services Master Plan.

Our Outcomes

- Targeted community development activities within inner city neighbourhoods.
- Long-term infrastructure plans and their implementation.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- To augment the core customer service training that will be delivered corporately, the Division will develop and deliver customer service training programs that are tailored to the specific needs of employees.

- The Division will participate in the piloting of the Corporate Public Engagement Framework that will ensure consistency in how the community is engaged. This framework will advance work in community development and assist in program and service improvements for all customers.

Divisional

- In alignment with the Corporate Customer Service Strategy, the Division will continue its work on customer service plans that will strengthen our customer service capabilities. Included in the plans will be a review of customer contact processes, such as the Request for Service (RFS) process, with the implementation of identified improvements.
- Complete the Transit Service Review and develop plans to address the recommendations within that report.
- Complete the review of Paratransit delivery capabilities to build customer focussed processes.

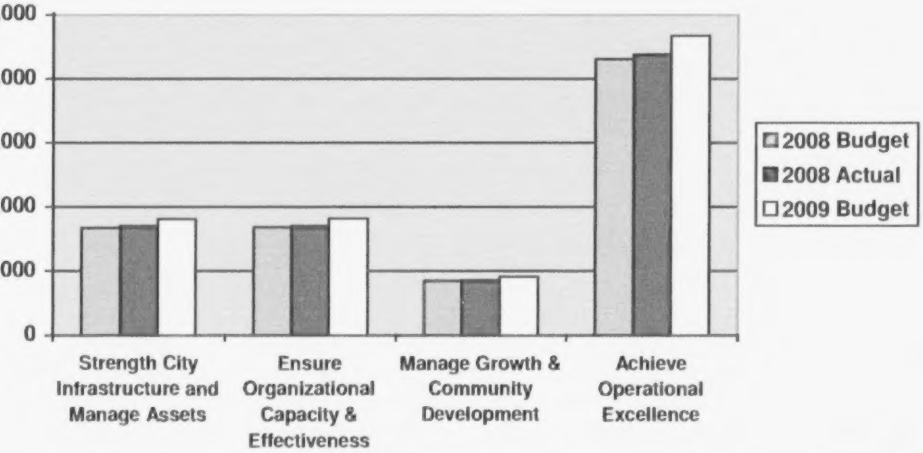
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.
- Improved emergency response time.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities the Community & Protective Services Division has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format, the Community & Protective Services Division has summarized its operating budget as follows:

By Business Unit

				Budget Change	
Expenditures (000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Community & Protective Services Administration	700.0	673.1	**620.9**	(79.1)	(11.3)
	700.0	673.1	**620.9**	(79.1)	(11.3)
Community Services Department					
Business & Infrastructure Planning	791.9	824.4	**969.2**	177.3	22.4
Community Development	1,811.7	1,675.3	**1,653.0**	(158.7)	(8.8)
Facilities & Energy Mgmt Costs	585.5	555.3	**617.8**	32.3	5.5
Leisure Services	4,512.9	4,493.1	**4,471.6**	(41.3)	(0.9)
Parks and Open Space Mgmt Costs	913.3	886.0	**941.9**	28.6	3.1
Facilities and Energy Mgmt Costs	6,736.0	6,662.3	**7,190.1**	454.1	6.7
	15,351.3	15,096.4	**15,843.6**	492.3	3.2
Parks & Open Space Department					
Cemeteries	881.2	1,031.7	**968.4**	87.2	9.9
Facilities & Energy Mgmt Costs	53.4	41.7	**56.0**	2.6	4.9
Golf Courses	2,164.7	2,168.9	**2,213.1**	48.4	2.2
Facilities & Energy Mgmt Costs	346.7	360.1	**365.1**	18.4	5.3
Parks & Open Space Mgmt	10,637.0	10,224.1	**11,064.4**	427.4	4.0
Facilities & Energy Mgmt Costs	456.2	357.9	**524.3**	68.1	14.9
	14,539.2	14,184.4	**15,191.3**	652.1	4.5
Protective Services Department					
Business Continuity & Emergency Planning	146.8	155.0	**174.7**	27.9	19.0
Bylaw Enforcement(1)	4,227.0	4,266.6	**4,290.7**	63.7	1.5
Fire Services	27,151.4	27,922.5	**30,712.4**	3,561.0	13.1
Facilities & Energy Mgmt Costs	387.3	384.3	**436.0**	48.7	12.6
	31,912.5	32,728.4	**35,613.8**	3,701.3	11.6
Transit Department					
Conventional Transit	18,296.5	18,267.3	**19,949.9**	1,653.4	9.0
Paratransit	3,442.8	3,430.1	**3,865.2**	422.4	12.3
Facilities & Energy Mgmt Costs	762.2	729.3	**830.7**	68.5	9.0
	22,501.5	22,426.7	**24,645.8**	2,144.3	9.5
Total	85,004.5	85,109.0	**91,915.4**	6,910.9	8.1

Note:

1. *Effective November 3, 2008, the Licensing and Municipal Fines Unit ("LMF") is included in the Community & Protective Services Division. Previously, LMF was a part of the Corporate Services Division. The 2008 comparative figures have been adjusted accordingly.*

By Expense Object

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	 Per Cent Change
Salaries & Benefits	56,548.4	56,292.9	**62,595.5**	6,047.1	10.7
Facilities and Energy Mgmt. Costs	9,327.3	9,078.5	**10,020.0**	692.7	7.4
Allocated Fleet Costs	2,748.1	2,968.9	**3,350.3**	602.2	21.9
Fuel & Gas	2,933.3	3,036.6	**2,978.2**	44.9	1.5
Paratransit Services	2,424.2	2,420.4	**2,703.8**	279.6	11.5
Vehicle Replacement Parts	799.1	903.7	**900.5**	101.4	12.7
Kennel Services	702.8	721.7	**702.8**	-	-
Provincial Admin. Fee (Fine Revenue)	640.0	910.3	**687.5**	47.5	7.4
Contracted Services	652.2	319.5	**571.2**	(81.0)	(12.4)
Other Expenditures	8,229.1	8,456.5	**7,405.6**	(823.5)	(10.0)
Total	85,004.5	85,109.0	**91,915.4**	6,910.9	8.1

Costing Fund

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	 Per Cent Change
Community Services:					
Open Space - Landscape Trades	1,408.8	1,460.3	**1,357.4**	(51.4)	(3.6)

This operation provides landscape construction services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Staff Complement

Full Time Equivalents (FTE's)	**2008**	**2009**
Permanent	681.5	689.5
Casual	172.3	176.4
Total	853.8	865.9

Note:
Effective November 3, 2008, the Licensing and Municipal Fines Unit ("LMF") is included in the Community & Protective Services Division. Previously, LMF was a part of the Corporate Services Division. The 2008 comparative figures have been adjusted accordingly.

Analysis of Operating Expenditure Budget Changes

	Details	($000's)
	2008 Budget	85,004.5
1.	Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)	4,389.2
2.	Increase in costs allocated by Facilities Management Services. (Base)	692.7
3.	Paratransit Contract - The Regina Paratransit Service has two contracts (minivans and lift-equipped buses) with FirstBus Canada to provide Paratransit vehicle operations and maintenance. A 7.75% cost increase has been negotiated for January-June 2009. It is uncertain what the cost increase will be following June 30, 2009. A 7.5% increase is anticipated based on the lift-equipped operator salary increase that has been negotiated with FirstBus. (Base)	279.6
4.	Increase in allocated Fleet costs - Costs allocated by Corporate Services. (Base)	230.2
5.	Transit - Vehicle Replacement Parts: To account for a fleet increase of 10% over the last 3 years. (Base)	108.4
6.	Increase in allocated Pooled Equipment and Small Tools costs - Costs allocated by Corporate Services. (Base).	72.1
7.	Protective Services - Telephone Charges: An increase of $10,000 is requested for the Business Continuity & Emergency Planning Branch. The telephone budget for this branch was reduced, in error, during the 2008 Budget process. An increase of $8,600 is requested for the Suppression and Rescue Branch in order to leverage technology for better communications and efficiencies through the deployment of blackberry devices to key personnel. An Addition for the Mobile CAD System was approved through 2008 Budget Process. However, this Addition provided for only partial year funding. An increase of $27,000 is required to cover airtime, licensing and general supply costs for an entire year. In all other branches of the department, there was a decrease of $1,500. (Base)	44.1
8.	Protective Services - Fire Protection Equipment: The Protective Services Department contracts different suppliers to provide personal protective equipment at the most economical price and on a timely basis. As such, periodically the department, through the Occupational Health and Safety Committee, seeks equipment that conforms to all relevant codes and standards. The latest contract for Turnout Gear (Fire fighter suits) increased $250 per set or a $10,000 annual increase. In addition, work was undertaken to identify the turnover of fire hose and an average useful life of 7 years was determined. As such, $14,200 worth of hose (the amount to outfit a pumper truck) will form the base budget each year. (Base)	24.2
9.	Protective Services - Professional & Membership Dues: Eighty five Protective Service employees currently hold EMT/PCP certification. An annual licensing fee is required to maintain these employees in good standing with the College of Paramedics. The need for this certification is in support of the Regina Qu'Appelle Health Region ("RQHR"). The certification costs are fully recoverable from RQHR. (Base)	20.9
10.	Transit - Clothing: Bus Operator uniforms as per ATU 588 Contract. Bus Operator uniforms will be purchased in 2009 to meet contract obligations. The cost of the uniform has increased substantially over 2008 (pants for the uniform has increased by four times the cost of the current uniform pants). the uniforms are chosen by management and union representative to meet contract requirements. (Base)	20.0

Details	($000's)
11. Transit - Allocated Natural Gas Costs: An additional $17,700 in required to account for an increase in natural gas costs from SaskEnergy. (Base)	17.7
12. Transit - Insurance: Annual rate of vehicle insurance premiums for 105 buses. Older buses have been replaced with new low floor buses, which have a higher insurance premium, and the total fleet size has increased by 10 buses to the current fleet size of 105 buses. An additional $15,100 is required in 2009 for vehicle insurance premiums. (Base)	15.1
13. Maintain Paratransit Staffing Levels: Paratransit has incurred an increased workload as a result of a Human Rights Complaint settlement in 2007 which required Paratransit to implement the same fare structure as conventional transit. Three additional full-time casual positions were added to Paratransit in 2008 as a one-time special to deal with the anticipated increased call centre demand and administrative responsibilities. These positions have been essential for the operation of the call centre and are required on an ongoing basis. It is proposed that two of these positions become specialized full-time permanent positions and one position remain as a casual position. (Addition)	182.3
14. Fire Services Increased Overtime: Salary adjustments attributed to contract settlement and additional overtime costs to maintain service levels and engage employees through off shift staff meetings. (Addition)	125.0
15. Fire Services Succession Planning (2.0FTE): Two (2) additional Firefighter positions dedicated to training to accomplish succession planning requirements. (Addition $90,900; Special $7,500)	98.4
16. Maintenance of New Open Space (2.4 FTE): In 2009, 20 hectares of new or upgraded open space will require annual maintenance. This request for additional funds includes the cost of labour, equipment, utilities (water), and materials. Estimated maintenance and upkeep costs are based on historical records for comparable open space and amenities. (Addition)	95.1
17. Cankerworm Control Program (0.7 FTE): During 2008, cankerworm infestations were very high. This request is in response to Council's direction in June 2008 for an enhanced level of service. (Addition)	80.0
18. Business & Performance Support Strategist (1.0 FTE): Addition of a Performance & Business Support Strategist position to work in the office of the General Manager – Strategic & Business Services within the Community & Protective Services Division. The request is for salary & benefits for a full year in 2009 and beyond. (Addition)	79.0
19. Fire Services Training - Flashover Replacement : The Training Branch utilizes NFPA, IFSAC, OH&S Firefighter's Code of Practice, Department Policy and Standard Operating Procedures as guidelines for program development. As part of the training and development of firefighters, flash over training is given to help firefighters recognize smoke and flame spread in order to determine if flash over is possible. Flash over is the process of hot gases and smoke reaching temperatures that can spontaneously ignite with fatal results. (Addition $15,000; Special $55,000)	70.0
20. Coordinator, Cemeteries (1.0) FTE): The Coordinator of Cemeteries is a new position, which has been identified in the new Parks & Open Space Department organizational structure. The position will be fully funded by the Cemetery Reserve. (Addition)	67.5
21. Bylaw Standards Officer (2.0 FTE): Bylaw Standards Officers (2.0 FTE): On December 15, 2008, City Council passed a motion requiring the proactive inspection of apartments with more than three (3) dwelling units. Exisiting staffing levels are insufficient to deal with the increased number of inspections that will be required. The 2009 funding request represents salary and benefits for the last six months of the year. For future budget years, the annual cost will be $122,800. (Addition)	61.4

Details	($000's)
22. Community Services Admin Assistant (1.0 FTE): This funding includes the salary and benefits for one position which is an integral part of the Community Services management team (Admin Assistant – Out of Scope). This position has been identified through the restructuring efforts as essential in enabling the Department to achieve corporate objectives in a timely manner. (Addition)	48.6
23. Clerk Typist III - Bylaw Enforcement Branch (1.0 FTE): On December 15, 2008, City Council passed a motion requiring the proactive inspection of apartments with more than three (3) dwelling units. A dedicated administrative resource is required to process the paperwork that will be gereated by the resulting increase in the number of inspections performed. The 2009 funding request represents salary and benefits for the last six months of the year. For future budget years, the annual cost will be $34,200. (Addition)	17.1
24. Campus Express Service: Phase I - Part 2, Jan-May 2009 : This request is for funding for the second semester operation of the Pilot Project (January to June 2009). This includes two additional months over Phase 1 Stage 1 of the pilot project to accommodate the longer semester at SIAST. Three express routes are operating from the northwest, southeast, and south areas of the City. The routes operate during peak hours Monday to Friday. The routes were designed and scheduled so transfers from as many other routes as possible can be made.	350.0
25. Campus Express Phase II - Sep-Dec 2009: Continuation of Campus Express Service to the University and SIAST after completion of the Pilot Project. (Special)	315.0
26. Mosquito Control Program: For the past few years, Saskatchewan Health has provided cost-share funding to Saskatchewan municipalities for West Nile Virus control. This funding must be applied for annually, and is calculated on the City's population, based on Sask Health records. The 2008 funding level was $277,500. This funding must be applied for annually. (Special)	277.5
27. Fire Services 2008 Clothing Commitment: The Protective Services Department is obligated by Schedule D of the collective bargaining agreement with the Regina Professional Firefighters Association to supply clothing to the members annually. The 2008 clothing issue consists of the Dress Uniform. The budget was in place for this expenditure for 2008; however, receipt of the majority of the items will not occur until 2009. As a result, the 2008 program will be under spent by $95,600 and the funds are required in 2009. (Special)	95.6
28. Protective Services Department Technology Support: During the implementation of Fire's FDM CAD/RMS Project, a Systems Analyst II was seconded from ITS and was funded by a vacant Fire Inspector position. The need for a Systems Analyst II to continue to develop/implement various IT projects is crucial to the success of the Protective Services IT Plan. The ITS Department concurs that it is important for a Systems Analyst II be assigned and located in the Protective Services Department. ITS will be presenting a business case to ELT to roll out the 'Shared Services Model' shortly. Phase 1 may not include embedding a Systems Analyst in Protective Services. Therefore, the existing arrangement where Protective Services continues to fund the position will remain in place for 2009. (Special)	83.4
29. Paratransit Quality Assurance Officer (1.0 FTE): The Regina Paratransit Service requires a full-time position to monitor the Paratransit vehicle and maintenance contract beginning April 1, 2009. Benefits and salaries will be $59,400 for 2009. The position is required to ensure that provisions within the contract are adhered to and a quality service is provided. (Special)	59.4
30. Biennial Medicals: Article 24 (L) of the Regina Professional Firefighters' Association Collective Bargaining Agreement requires specified members to undergo a medical examination every two (2) years at the expense of the City. Additionally, Provincial OHS Regulations govern that all employees exposed to noise levels about 85 dBA will have an audiometric baseline test and a hearing test every two years. (Special)	47.0

Details	($000's)
31. Taxicab Bylaw Review and Service Level Study: As part of the Airport Ground Transportation Working Group, the City has received recommendations from a consultant regarding taxi service as related to the Airport. The information provided by the consultant is valuable, but incomplete, as it was intended to address only Airport Ground Transportation issues. By working with the same consultant on a broader study, the City can apply a more broad-based set of changes for the Taxi Bylaw. (Special)	45.0
32. Urban Aboriginal Leadership Program & Crime Prevention Week: $35,000 of funding is provided by Saskatchewan Culture, Youth, and Recreation to support the delivery of an Aboriginal leadership program to build capacity in young, Aboriginal leaders in the community. The youth and young adults participating in this program will develop the knowledge, skills, and abilities to lead sport, culture, and recreation opportunities in the community. Building capacity in the Aboriginal community is consistent with the City's priority of managing community development. The Regina Crime Prevention Commission has identified Crime Prevention Week as one of its priorities for 2009. The $2,000 of funding from SGI Canada will be used to increase awareness of crime prevention and encourage Regina citizens to contribute to making Regina communities safer. Crime Prevention Week and the support from SGI Canada are consistent with the City's strategic priorities of community development and partnerships. (Special)	37.0
33. Delete 2008 Specials. RFS to 2020 consultant $42,200; Aboriginal Leadership Program $35,000; Crime Prevention Week $2,000; Crime Prevention Initiative $25,000; Skate Plaza Art Project $30,000; Parks Condition Assessment consultant $70,000; Pest Control $277,500; Fire Support Services succession planning staffing requirements $14,000; Fire Services Prevention & Public Education $15,000; Transit - U of R / SIAST Pilot Project $60,000; Transit - Implement parallel fare structure $3,800.	(574.5)
34. Transferred to Communications	(297.6)
35. Transferred to Facilities re: Furniture	(15.3)
36. 2009 Reinvestments.	(544.1)
37. Other cost changes.	193.9
2009 Budget	91,915.4

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Community & Protective Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

By Strategic Priority

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	8,405.0	10,120.8	**7,009.1**	(1,395.9)	(16.6)
Ensure Organizational Capacity & Effectiveness	224.0	269.7	**179.7**	(44.3)	(19.8)
Manage Growth & Community Development	21,889.0	9,533.5	**1,617.5**	(20,271.5)	(92.6)
Achieve Operational Excellence	255.0	307.0	**179.7**	(75.3)	(29.5)
Total	30,773.0	20,231.0	**8,986.0**	(21,787.0)	(70.8)

By Business Unit

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Evraz Place Revitalization	20,000.0	9,832.5	**-**	(20,000.0)	(100.0)
Community Services	1,014.0	1,756.5	**771.0**	(243.0)	(24.0)
Parks & Open Space	3,224.0	1,794.9	**1,150.0**	(2,074.0)	(64.3)
Fire	2,140.0	330.0	**25.0**	(2,115.0)	(98.8)
Transit	3,745.0	5,857.1	**6,490.0**	2,745.0	73.3
Other	650.0	660.0	**550.0**	(100.0)	(15.4)
Total	30,773.0	20,231.0	**8,986.0**	(21,787.0)	(70.8)

Summary of Capital Investments

		($000's)
1.	Purchase of new Transit and Paratransit buses.	4,420.0
2.	Purchase of new electronic fareboxes for buses.	1,500.0
3.	Urban Development Agreement.	500.0
4.	Recreation Facility Master Plan - Funding for a project manager to develop the plan as well as funding for the relocation of the central scheduling office from the Sportplex to EVRAZ Place.	400.0
5.	Streetscape - Streetscape capital projects provide for the design and installation of landscaping along major roadways such as the entrances to the City and ceremonial routes.	325.0
6.	Open Space Restoration - restoration of neighbourhood parks as recommended by the Open Space Management Strategy.	300.0
7.	Other projects including recreation equipment, irrigation, outdoor play amenities, outdoor athletic surfaces, cemeteries, golf courses, etc.	1,541.0
2009 Capital Budget		8,986.0

Public Works Division

Mandate

"We ensure the City's municipal infrastructure systems are effectively preserved, funded and operated. We are dedicated to implementing best practices that advance safety, consistency, efficiency, reliability and customer service. Specifically, we preserve and operate municipal infrastructure involving roadways, traffic, water, drainage, waste water and solid waste to meet regulatory requirements and community needs."

Overview

The Public Works Division was created as part of the 2008 corporate restructuring to provide infrastructure management and services that are essential to the quality of life in our community. In an effort for the City to become the best-run municipality in Canada and fulfill our mandate, Public Works has recently restructured in the following functional departments and offices: Roadway Operations Department, Transportation and Material Services Department, Environmental Services Department, Water and Sewer Services Department; and the Office of Strategic and Business Services. Mandate and statements for each area follow:

- **Roadways Operations Department** – construct and maintain roadways, walks and alleys to enhance safety and reliability of the transportation system.

- **Transportation and Material Services Department** – provide diverse transportation services to customers and are dedicated to traffic safety and infrastructure preservation.

- **Environmental Services Department** – design, construct, operate and maintain wastewater treatment, solid waste management and environmental services to Regina and surrounding communities, and engineering, design and construction services to Buffalo Pound Water Treatment Plant. This is to protect public health and enhance the quality of life.

- **Water and Sewer Services Department** – design, construct, operate, and maintain water, wastewater and drainage systems to Regina and surrounding communities. These essential services protect public health and property.

- **Office of Strategic and Business Services** – initiate, coordinate, support, and/or deliver strategic initiatives and services across the Division including: workforce development, performance, and accountability; engineering, operations and business systems/processes; business and operational support functions involving administration, dispatch and customer service functions; and administrative support functions for managerial and industrial relations activities.

Note:
The water, wastewater and drainage services are delivered through the Water and Sewer Utility Budget and are not included in the General Operating Budget.

Key Facts

- Regina's Roadway Network Inventory consists of 920 kilometres paved roads, 29 kilometres of gravel roads, 1,307 kilometres of sidewalks, 172 kilometres of paved alleys, and 132 kilometres of gravel alleys.

- Under the Winter Road Maintenance Program, the Roadway Operations Department is responsible for snow plowing, snow removal and ice control on the roads, alleys, and sidewalks of the City of Regina.

- The average pavement age of the expressway/arterial network is 12 years, the collector network is 11 years, and the local network is 29 years.

- The City has 166 signalized intersections, 9 pedestrian half signals, 73 pedestrian corridors, and 775 expressway lights.

- The overall cost to produce 78,600 tonnes of hot mix asphalts made of slag in the City asphalt plant was $4,700,000. This cost includes cost of materials, labour, equipment to produce asphalt mixes and maintain the plant, as well as management cost and funds transferred to asphalt plant reserve for future plant upgrades. In 2008, the City's asphalt supply price was approximately 20% less than private contractor's asphalt supply price.

- In 2008, the total amount of material disposed of at the landfill was 585,500 tonnes. This was made up of three main categories: 37% garbage, 47% dirt, 16% recycled concrete, and concrete/asphalt.

- The landfill processed 178,000 transactions in 2008.

- One third of the waste is from residential areas and 2/3 is from industrial/commercial/institutional areas.

- Residential waste collection is provided to 59,000 houses, which amount to over 3,000,000 house visits per year. Each house produces an average of 1 tonne of garbage per year.

- The cost of waste collection is the same as it was 15 years ago.

- The City's waste minimization program includes the Big Blue Bin Program, Tinsel Mulch, and the Household Hazardous Waste Day. These programs resulted in the recycling of 2,400 litres of hazardous waste liquids, 6.87 tonnes of hazardous waste solids, and 5,740 tonnes of paper – the equivalent of 95,550 trees.

2008 Highlights

- Initiated a GPS pilot program for the tracking and routing of Winter Maintenance and Solid Waste equipment. Upon completion and a successful outcome of the pilot project, the City will then proceed with full implementation.

- Completed initial review of enhancements to the new Winter Road Maintenance Policy focusing on removal at transit stops and school zones.

- The Roadways Preservation Department rehabilitated 35 km of roadways through out the City in 2008. This included 10.9 km of arterials, 11.1 km of collectors, 6.2 km of industrial roads, 6.6 km of locals and 0.3 km under the Local Improvement Program.

- Based on the condition survey performed last year on all the City's traffic bridges, 4 bridges were selected to be repaired and 12 bridges were selected to be tested for delamination, salt content, and steel corrosion.

- At the Asphalt Plant, two components were refurbished and modified in 2008 utilizing internal staff. Implementation changes to the hot bins and screen deck resulted in better control of the aggregate and improved mix consistency. Operational improvements in burner operation and in aggregate loading techniques resulted in $30,000 energy savings in 2008.

- The two aged and corroded scale decks used to weigh trucks bringing bulk materials in and taking bulk materials out of the yard, were replaced with new scale decks at the total cost of $207,000. The two new scale decks are expected to last twice as long as the old scale decks.

- Roadway Operations replaced 22 pieces of aging and outdated equipment including: 14 new graders, 6 new semi trucks, 6 new semi trailers and 2 new snow blowers.

- To increase employee and public safety as well as reduce the risk of utility interruptions and costly repairs the Sweeping and Alleys Branch implemented a hydro-vac process for exposing utilities in the paved alley reconstruction program.

- In partnership with the CNIB, a City standard was developed for audible pedestrian signals. Installation of the new equipment occurred at two intersections.

- 2008 marked the deployment of the LED traffic signal program with the installation of three new intersections and three refurbished intersections. This program will eventually cut traffic signal electricity costs by 90%.

- The environmental assessment for the proposed new landfill development was substantially completed in 2008. Submission to the Ministry of Environment is targeted for early spring 2009.

- The landfill gas collection system operated in 2008 and destroyed 1,350 tonnes of methane gas, which contributed to the reduction of greenhouse gases, equivalent to 88 tonnes of CO_2 each day.

- There was a 24% increase in landfill scale revenue from 2007. This increase is attributed to the increase in the tipping fee and economic activity in the City.

- Initiated the development of a solid waste management plan.

- Reduced lost time accident frequency rates by 80%.

- Reduced staff vacancy rates from approximately 35% to 18%.

- Enhanced employee training and recruitment processes to improve efficiencies and effectiveness.

- Received a corporate award of excellence for efficiency improvements at the Landfill.

- Completed a Division Business Plan and implemented individual performance development plans for all management staff.

- Improved customer service through the revision of key information provided by Service Regina to the public, and reduced the backlog of requests for service from the public. Responded to over 43,000 requests for services from the public.

- Continued implementation of industry best practises such as salt management and asset management.

Strategic Priorities

Public Works Division provides stewardship through the maintenance, preservation and reconstruction of municipal infrastructure/assets including 920 km of roadways; 36 bridge and overpass structures; 304 km of alleys; 1,307 km of sidewalks and 168 signalized intersections.

Public Works also provides operational and engineering services to the community and corporation including winter maintenance on roadways, alleys and sidewalks; traffic control; environmental monitoring and testing; and disposal or diversion of 585,000 tonnes of waste material.

The 2009 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- Continue to develop and implement asset management systems and strategies to ensure the sustainability of City assets and infrastructure.

Divisional

- Continue to develop and implement asset management systems and strategies to ensure the sustainability of City assets and infrastructure.
- Continue to plan and deliver increased infrastructure maintenance, preservation and reconstruction programs.
- Continue exploration and implementation of industry best practices to advance the efficiency, effectiveness and safety of the programs, strategies and systems developed and implemented.
- Develop a terms of reference for a residential infrastructure renewal strategy.

Our Outcomes

- Reliable roadway infrastructure.
- Effective financial management.
- Effective fleet management.
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Divisional

- Continue to design and implement a Division structure and assess the results to ensure the Departments, Branches and work units are aligned and will emphasize the management and coordination required to provide quality infrastructure, programs, and services.
- Continue to revise job descriptions and enhance recruitment processes and efforts to address the need for increased knowledge, skills, and abilities within the workforce, as well as the need to address the significant number of vacancies.
- Develop business plans for all Departments to align with the Corporate Strategic Plan and the Division Business Plan.

- Continue to develop and implement a Division Contemporary Workplace Plan focused on leadership training, team building, respectful workplace, diversity, career development, and succession planning.
- Implement the Personal Development Evaluation process for all supervisory and management staff.
- Continue to review and document core business processes, as well as engineering/operational procedures, standards and guidelines.
- Develop partnerships with external stakeholders to leverage resources and outcomes.

Our Outcomes
- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable, and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate
- Partner with Planning & Development in the development and implementation of plans, strategies and initiatives to manage the City's growth.

Divisional
- Expansion of the landfill to meet regional growth demands.
- Participate in Downtown planning initiatives.

Our Outcomes
- Optimization of existing infrastructure capacity.
- Directed investment to enhance the vibrancy of downtown.
- Compliance with legislative requirements.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate
- Implement the Corporate Customer Service Strategy to build a culture of customer service within the Division.

Divisional
- Continue to develop a Solid Waste Management Plan including public and stakeholder consultations and review of best practices.
- Continue implementation of the corporate Customer Service Strategy to build a culture of customer service within the Division.
- Continue to develop, implement, and assess an enhanced Winter Maintenance Policy including public and stakeholder consultations and review of best practices.
- Continue to provide operational programs and services that meet the needs of the community.

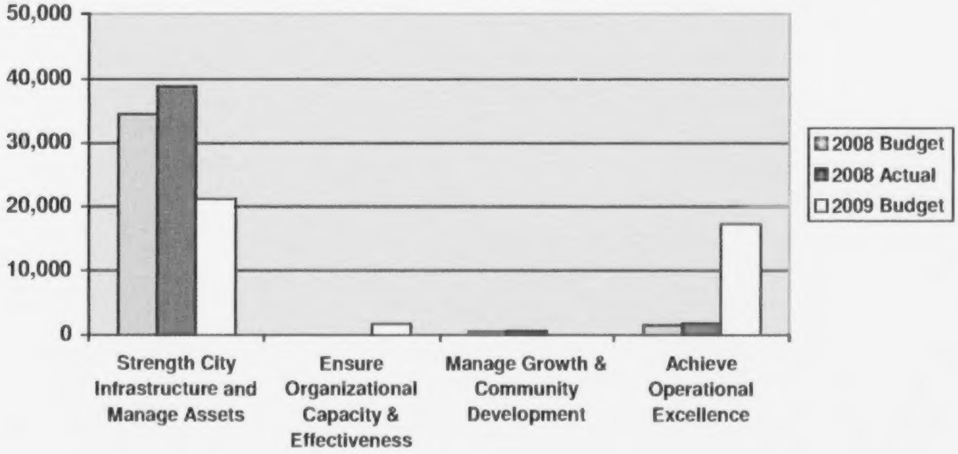
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Public Works Division has estimated its total allocation of operating budget as follows, which reflects its focus on infrastructure:

By Strategic Priority



In a more traditional format, the Public Works Division has summarized its operating budget as follows:

By Business Unit

				Budget Change	
Expenditures ($000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Office of Strategic and Business Services	1,765.4	1,782.8	**1,775.2**	9.8	0.6
Transportation & Materials Services					
Roadway Preservation	1,379.2	1,149.9	**1,580.8**	201.6	14.6
Asphalt Production & Field Services	178.4	165.2	**237.0**	58.6	32.8
Traffic Engineering & Administration	1,535.4	1,638.3	**1,547.9**	12.5	0.8
Traffic Signals & Lighting	1,014.1	1,053.6	**962.5**	(51.6)	(5.1)
Traffic Control & Parking	894.3	891.6	**1,033.4**	139.1	15.6
Street Lighting	3,146.6	3,086.5	**3,225.3**	78.7	2.5
Roadways Operations					
Roadways Administration	2,549.9	7,480.8	**2,108.1**	(441.8)	(17.3)
Roadways Operations	3,176.8	3,042.5	**3,439.7**	262.9	8.3
Street Sweeping	1,005.6	1,020.0	**1,586.1**	580.5	57.7
Winter Road Maintenance	4,714.8	4,835.1	**5,333.2**	618.4	13.1
Maintenance of Alleys	2,838.9	2,926.8	**2,948.3**	109.4	3.9
Environmental Services					
Environmental Engineering	447.2	406.6	**456.8**	9.6	2.1
Solid Waste Administration	1,042.5	1,204.5	**1,255.3**	212.8	20.4
Residential Collection	2,865.0	3,006.1	**5,418.4**	2,553.4	89.1
Commercial Collection	330.4	234.9	**336.9**	6.5	2.0
Landfill Operations	1,770.0	1,961.4	**1,789.2**	19.2	1.1
Waste Minimiumization	629.1	473.8	**522.4**	(106.7)	(17.0)
Transfer to Landfill Reserve	4,940.0	5,034.9	**4,685.6**	(254.4)	(5.1)
	36,223.6	41,395.3	**40,242.1**	4,018.5	11.1
Facility Costs(1)					
Administration, Roadways & Traffic	295.2	372.3	**413.2**	118.0	40.0
Waste Management	164.0	105.7	**113.5**	(50.5)	(30.8)
	459.2	478.0	**526.7**	67.5	14.7
Total	36,682.8	41,873.3	**40,768.8**	4,086.0	11.1

Note:

1. *Facility costs are allocated from the Facilities Management Services Division of the Corporate Services Department.*

By Expense Object

Expenditures ($000's)	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	 Per Cent Change
Salaries & Benefits	14,989.3	13,982.3	**16,799.4**	1,810.1	12.1
Equipment & Fuel	7,362.5	10,402.3	**8,671.2**	1,308.7	17.8
Electricity & Natural Gas	3,741.8	3,431.8	**3,522.6**	(219.2)	(5.9)
Construction Materials	2,406.8	2,394.3	**2,670.5**	263.7	11.0
Goods & Services	2,204.0	5,200.2	**3,224.2**	1,020.2	46.3
Administration & Other Expenditures	1,038.4	1,428.3	**1,195.2**	156.8	15.1
Transfer to Landfill Reserve	4,940.0	5,034.1	**4,685.7**	(254.3)	(5.1)
Total	36,682.8	41,873.3	**40,768.8**	4,086.0	11.1

Costing Fund

Expenditures ($000's)	2008 Budget	2008 Actual	2009 Budget	Budget Change Dollar Change	 Per Cent Change
Public Works					
Granular Material & Asphalt Plant	4,649.8	6,758.2	**4,673.0**	23.2	0.5
Roadway Operations	1,296.3	1,679.9	**1,505.8**	209.5	16.2
	5,946.1	8,438.1	**6,178.8**	232.7	3.9

Staff Complement

Full Time Equivalents	2008	2009
Permanent	178.7	206.1
Casual	59.9	63.2
Total	238.6	269.3

Note:
Budget and Actual numbers and the FTE's have been restated to reflect the current organizational structure.

Analysis of Operating Expenditure Budget Change

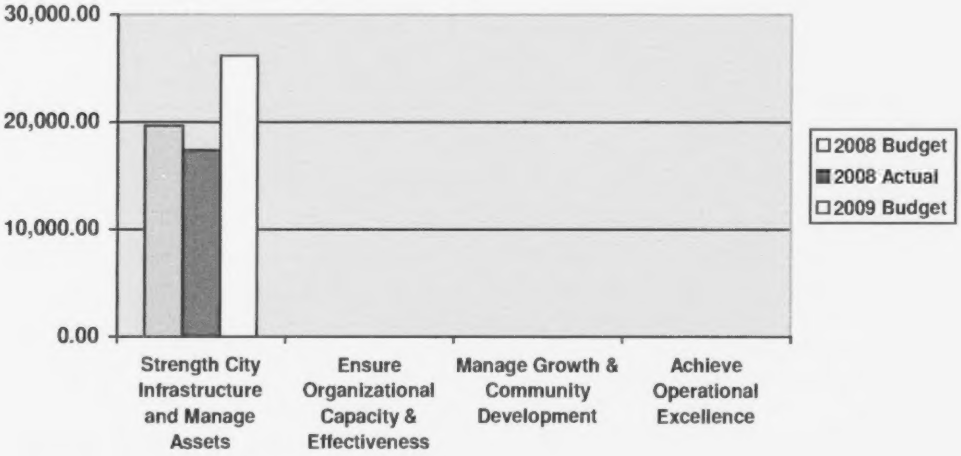
Details	($000's)
2008 Budget	36,682.8
1. Salaries and Benefits - includes cost changes resulting from salary increases, in range progressions, classification reviews and employer benefit costs, including increases in the City's contribution to the Employees' Pension Plan. (Base)	1,544.7
2. Tipping Charges for Residential Collection - charg residential collection tipping fees to align with existing method used for internal City clients. (Base)	2,215.0
3. Allocated Costs: Increase in Fleet Costs - equipment expenses due to the increased cost of fuel, fleet garage charges and depreciation charges as vehicles and equipment are replaced; and computer, output device and allocated asphalt costs. (Base)	637.2
4. Materials Costs - increase in costs such as gravel, salt and asphalt for pavement patching, sidewalk maintenance, alley maintenance, and sanding and salting streets. (Base)	372.7
5. Electricity Rate Increase - predicted system average increase by SaskPower for 2009. (Base)	88.1
6. Hit and Run or Uninsured Damage to Traffic Signals and Street Signs - equipment and salary costs to repair hit and run or uninsured damage to traffic signals and street signs. (Base)	50.0
7. Change in Internal Cost Allocations, costs tranferred out or base amount increase in transfer to reserves from operations. (Base)	(1,069.5)
8. Asphalt Maintenance for City Growth and Expansion - additional work required to provide the same level of service to the expanded network of roads due to development in the City. (Addition)	86.1
9. Increase business at Landfill - additional personnel to handle increase in business to landfill. (Addition)	75.0
10. Operation of Grinder at Landfill - additional funds to operate grinder at the landfill used to reduce the volume of material disposed. (Addition)	57.5
11. Senior Engineer - additional senior engineer required in Roadway Operations to manage projects in Winter Maintenance to increase our organizational capacity so that we can deliver key projects, policies, and programs. (Addition)	55.0
12. Casual Labour Traffic Support Services - specifically flag persons for Roadways Improvement projects. (Addition)	53.3
13. Design and Administration of Urban Highway Control Program - full time permanent Senior Engineer to administrate and design a new "Urban Highway Control" Program. (Addition)	47.3
14. New Roads from Annexation - increase relating to additional gravel roads which will be added to existing 2008 inventory as the result of annexation in 2009. (Addition)	41.1
15. Solid Waste Expansion - City growth of 700 households per year increases solid waste collection by 40 extra days of cart collection. (Addition)	29.4
16. Concrete Services - additional funding required because of the increased growth and development of City of Regina over past two years. (Addition)	27.0
17. Business Process Improvements - additional capacity. (Addition)	24.7
18. Further Diversion of Materials at Landfill - additional personnel to handle further diversion efforts to reduce volumes of waste in the landfill. (Addition)	12.5
19. Tree Pruning - cost of administering the tree pruning program. (Addition)	9.5
20. Business Process Consultant - to be used for business process mapping and process reviews consultant. (Special)	49.0

Details	($000's)
21. Solid Waste Management Plan - funding for a consultant to complete the Solid Waste Management Plan in 2009. (Special)	45.0
22. Rear Alley Container Maintenance - use to install lids and hooks on the back alley containers. (Special)	41.8
23 Re-investments	(296.1)
24 Remove 2008 Specials	(110.2)
2009 Budget	40,768.8

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Public Works Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:



By Business Unit

Expenditures ($000's)	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	Per Cent Change
Roadways Infrastructure	14,000.0	15,016.7	**15,000.0**	1,000.0	7.1
Bridges	780.0	97.2	**5,600.0**	4,820.0	617.9
Traffic Control and Safety	1,754.0	777.6	**2,137.0**	383.0	21.8
Waste Management	2,745.0	1,140.5	**3,290.0**	545.0	19.9
Other	433.0	396.3	**210.0**	(223.0)	(51.5)
Total	19,712.0	17,428.3	**26,237.0**	6,525.0	33.1

Summary of Capital Investments

Details	($000's)
Roads, Bridges and Traffic	
1. Street Infrastructure Renewal - Asphalt resurfacing and concrete repair, consulting services, pavement asset management, local improvement walk, curb and gutter replacement, and reconstruction and resurfacing of roadways in conjunction with local improvement work.	15,000.0
2. Bridge Infrastructure Renewal - correction of structural deficiencies, inspection and engineering related to the safety and renewal of existing bridges.	5,600.0
3. New or Enhanced Traffic Signals – Typical projects range from installation of a complete set of new traffic signals at an intersection, to minor phasing changes. Signal phasing changes involve modifying signal plans in response to changing traffic patterns. Locations are determined after analysis, consultation with residents, and submission of a report to the Works and Utilities Committee. The installation of new signals or improvements to existing signals reduces the potential for collisions, reduces congestion and delay in the movement of people and goods, and reduces harmful emissions caused by idling vehicles.	600.0
4. Expressway Light Rehabilitation Program – This is a program to replace the existing expressway lighting infrastructure as the ageing infrastructure is experiencing increased failures and much of the equipment has reached or exceeded its expected life span. Underground wiring, cabinet, cabinet components, and breakaway pole bases will be replaced in this program. This program will rehabilitate the City's current inventory of 775 expressway poles and the 16 associated control cabinets over an expected 8-year time frame.	490.0
5. Traffic Signal Rehabilitation - This is an ongoing project that will replace traffic signal poles, ducts, and wiring. This equipment has an expected life span of 25 years at which time poles and their components should be replaced. Some rehabilitation work will take place through the traffic signal system upgrade. Program locations are selected based on the condition of the signal and coordination with major roadway improvement projects. Four locations have been identified for rehabilitation work in 2009.	400.0
6. Traffic Management and Parking - Improvements at intersections include better channelization, signing, lane designation, pavement markings, warning devices, additional turning lanes, improved horizontal and vertical alignments, traffic calming, and removal of sightline impediments. Intersections are analyzed for improvements based on accident statistics, traffic counts, public concerns and observations.	342.0
7. Pedestrian Protection - Improvements include the installation of pedestrian corridors, pedestrian half signals, pedestrian crosswalk signs, no parking signs, and the installation of fence adjacent to high-speed roadways. The program also includes public awareness advertising to educate pedestrians and motorists on the proper usage of pedestrian safety devices, particularly for school-aged pedestrians.	95.0
8. LED Replacement Program – This is a new program to replace all incandescent traffic signal bulbs with an LED equivalent. The initial replacement is planned over a six-year period to align with the life cycle of LED bulbs and to ensure that work can be completed in conjunction with other planned work. This program will result in electricity cost savings and will meet anticipated legislative requirements banning the sale of incandescent light bulbs by 2012.	95.0
9. Street Lighting – Streetlights are installed and maintained by SaskPower, with funding provided by the City. The capital program is intended to install new streetlights along roadways that do not have lights or to upgrade lighting levels on streets with lights to meet the City's minimum illumination standard. Operating costs to the City are increased each time a new streetlight is installed. Estimated increased operating cost to the City per new streetlight is $250 per year. For 2009, major projects include installation of streetlights at various locations where streetlights do not exist.	70.0

Details	**($000's)**
10. Railroad Crossings and Anti-whistling –There are a total of 59 at-grade railway crossings in the city. The funding provided is to upgrade the roadway condition at the railroad crossings. This program is coordinated with CN and CP programs to upgrade the railroad tracks at the crossings. Two or three crossings are upgraded every year. The City has also identified twenty of the railway crossing locations with automatic crossing protection where anti-whistling agreements would be requested (prearranged that trains reduce or eliminate horn use at night). All locations that are slated for anti-whistling must pass safety inspections that often result in upgrades to the warning devices. Crossing upgrades have been completed at 15 of the designated locations. Anti-whistling has been approved by Transport Canada and implemented at five of the 15 locations. The funding in the budget is to improve safety at locations where anti-whistling is planned.	95.0
Solid Waste and Other Projects	
11. Solid Waste – 2009 funding is for purchase and deployment of 16,000 carts, which will complete the phase out of manual collection to automated front street collection.	1,280.0
12. Landfill Capping and Closure – Costs for the existing landfill on Fleet Street include closure and post closure costs. The projected costs are in the range of $23 million over several years. Funding is for engineering related to cover design, a closure plan update and design and construction of the cover.	1,000.0
13. New Landfill Development - Funding for regulatory approval for a new landfill development adjacent to the existing site, and engineering design and construction costs toward the first cell.	990.0
14. Upgrade of major components of asphalt plant -This is a general allocation for upgrading components of the asphalt plant such as pug mill, screen deck, conveyors, dryer or weigh scales. The 2009 portion will be used for replacement of all control wiring, a portion of high voltage wiring, and rebuilding of the pug mill.	140.0
15. Solid Waste - Back Alley Shared Container Replacement. Funding originally was planned to replace all back-alley containers; that program is half-complete and was stopped in 2007 due to uncertainty over the long-term sustainability of this service delivery mechanism. The $20,000 funding requested is to maintain the existing service until a new service is defined and implemented, determined during the Solid Waste Management Plan process.	20.0
16. Coring Machine - Purchase a Core Drill Trailer System for taking core samples of existing road structures prior to designing of the new asphalt structure.	20.0
2009 Budget	26,237.0

Corporate Services Division

Mandate

"We excel in providing services and support to our customers, both internal and external; enabling City operations to maximize its effectiveness and potential. Our Corporate Services team includes Financial Services, Information Technology Services, Human Resources, Fleet Services, and Facilities Management Services."

Divisional Overview

As described in our Mandate, the Corporate Services Division is primarily focused internally to provide services to other Divisions within the Corporation. In addition, through Utility Billing Branch, the Corporate Services Division interacts with all Regina utility customers. Corporate Services is currently establishing its first Divisional Plan, as well as supporting departmental plans towards delivering on the Corporation's Strategic Priorities including establishing the City of Regina as a Contemporary Workplace. Because Corporate Service's focus is service to other Divisions, many of the initiatives being undertaken have significant corporate implications. The 2009 Divisional Budget is summarized into the following functional areas:

- Administration – The General Manager and administrative staff are responsible for strategic direction to the five Departments, related administrative support, as well as establishing and monitoring corporate policy and governance requirements.

- Facilities Management Services – The Department, led by the Director – Facilities Management Services, provides the space planning, construction project management, physical plant maintenance, and the day-to-day operation of City-owned facilities. The department also provides for the corporate energy management and air quality programs, and the electricity and natural gas utility program for all civic facilities.

- Financial Services – The Department, led by the Director – Financial Services, provides internal and external financial reporting, accounting, budget, purchasing, cash management, and investment and debt management services for the Corporation. It manages customer service, billing, and collection for the City's water, wastewater, and drainage utility.

- Fleet Services – The Department, led by the Director – Fleet Services, supports the delivery of City programs and services (excluding Fire, Transit, and Police fleets) by providing fleet management, maintenance, and operator training services. The department is also responsible for the Central Stores, Salvage, and Fuel Programs.

- Human Resources – The Department led by the Director – Human Resources, as strategic partners and innovative leaders, Human Resources designs and supports the implementation of Contemporary People Practices to build organizational capacity. The eight functions of the People Practices are centered around Recruitment & Retention; Healthy Workplace; Training and Development; Compensation, Rewards and Recognition; Organizational Development and Effectiveness; Labour Relations; Workforce Forecasting and Succession Planning; HR Management Systems and Process.

- Information Technology Services – The Department, led by the Director – ITS, provides leadership in business technology planning and identifying new technology opportunities. The Department coordinates the development/selection, implementation, operation, and support of information technology and computerized applications used by the City as well as the integration, sharing and security of data, and delivery of corporate communications, printing, and mail services.

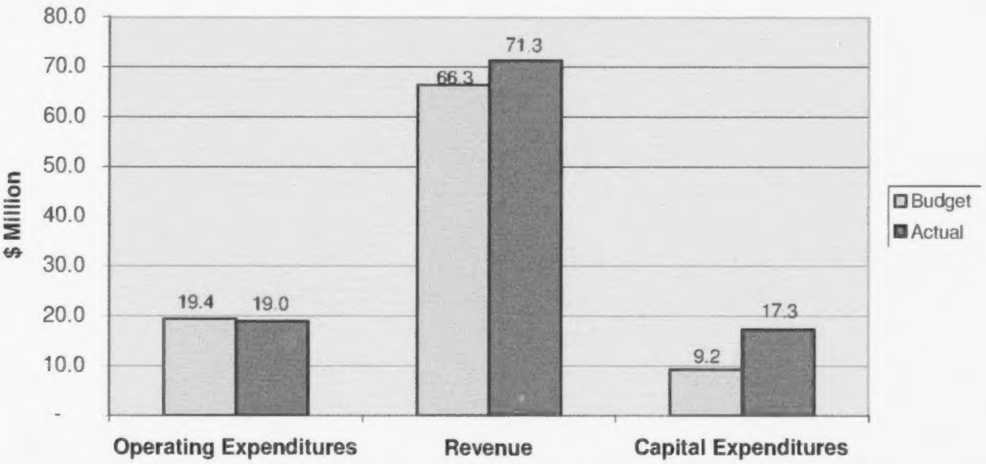
- Pensions and LTD – This business area provides administrative services to several Pension and Long Term Disability Plans (LTD), which serve the City of Regina as well as other employers. This business area is funded through pension and long-term disability plans, and maintains a working relationship with the Plans' Administrative Boards and the Corporate Services Division.

Key Facts

- 67.6% of the total operating expenditures of this Division result from staffing related costs.
- Facilities Management Services supports more than 220 buildings and almost 400 additional structures that range from recreational, administrative, and operational buildings to spray pools, bus shelters, and park structures.
- Financial Services provides utility bills to over 62,000 households within the City.
- Fleet Services manages 959 vehicles within the overall fleet, which has been reduced by 20% since 1998.
- Human Resources support 350 client Managers and Supervisors in dealing with their Human Resources, which encompasses 2,500 permanent, casual and seasonal employees.
- ITS supports 1,250 City staff who utilize over 70 different business applications through a state-of-the-art network connecting 60 City facilities.

2008 Highlights

Financial Performance



Operational Highlights

Corporate Services remains focused on becoming a leader within the municipal sector and the following highlights from 2008 demonstrate this commitment:

- In 2008, Henry Baker Hall (City Council Chamber) and the surrounding meeting rooms underwent significant renovations to ensure a contemporary environment to conduct local governance. In addition, the City Hall parkade was refurbished with a focus on rebuilding the structure and installing an impervious membrane to maintain its integrity for many years to come. A major shutdown at the Sandra Schmirler Leisure Centre provided for upgrades in the pool cell and lighting. Work continued on other large projects in 2008 including a new building to replace outdated buildings for both Parks and Facilities staff and major renovations to both the City Manager's Office and the Mayor's Office in City Hall. Significant planning for future construction included a trades shop for both Parks and Facilities and a replacement for Fire Station #4 in North Central Regina.

- In 2008, the Saskatchewan Roughriders sold out their entire season and have held 18 consecutive sold out games at Mosaic Stadium over the past two years. The installation of Fieldturf at the stadium in 2007 has increased the usability of the stadium and community groups use the facility on an almost daily basis as compared to infrequent use in the past.

- The City of Regina continues to make progress on initiatives identified in the Workforce Diversity Strategy. Highlights include signing of the Aboriginal Employment Development Partnership (AEDP), development of relationships with organizations such as Regina Open Door Society (RODS), and development of the Diversity Advisory Committee.

- Being competitive in today's tightening labour market is a concern for all employers, and in 2008, the City continued to review and modify its overall compensation philosophy. A framework for a Market Supplement program involving occupations experiencing demonstrated recruitment and retention problems was piloted. Out-of-Scope jobs impacted by the comprehensive organizational review were evaluated within an 11-band pay structure. A Short Term Incentive Plan focusing on corporate and individual performance was also piloted.

- The City of Regina developed and launched the first three phases of the Corporate Rewards and Recognition Program. Employee recognition continues to increase.

- The Human Resources Department was recognized by Queen's University and the Saskatchewan Association of Human Resource Professionals (SAHRP) for its support of the City's departmental restructuring activities.

- Return to Work Guidelines were introduced and implemented in early 2008 with corporate wide training. Human Resources are committed to ensuring that the program continues to run successfully by constantly evaluating the program against current best practises and legislation.

- The in-house Employee & Family Assistance Program (EFAP) was successfully transitioned to an external provider, Family Services Regina, to provide a more contemporary service to all City of Regina employees.

- The Human Resources Department has taken on the administration and management of employee benefits from Pensions and Long Term Disability. The transition was smooth and Human Resources continue to work diligently in providing all employees with a professional level of service.

- For the second year in a row, the City of Regina received a Certificate of Achievement from the Worker's Compensation Boards of Saskatchewan, recognizing the City's reduction in lost time injury claims for 2008.

- The Fleet Services Department began a pilot project to review the effectiveness of a new Fleet Status communication tool to allow for better planning and communication with its internal customers towards maximizing the effectiveness of the fleet and City operations.

- Fleet Services Department completed work on the GreenFleet Report. GreenFleet is an initiative to minimize the negative environmental impacts of the City's vehicle and equipment fleet. The

GreenFleet Report made 13 recommendations to reduce the environmental impacts relating to the management, operation, and maintenance of the fleet.

- Information Technology Services was instrumental in launching a revised Regina.ca website in June. Information is now up-to-date and citizens can now find information twice as fast. In a recent survey, over 50% of citizens said the website was their first choice when looking for information about the City.

- A considerable amount of analysis was done to identify the City's current Technical Infrastructure Deficit. ITS has developed a program involving over fifty projects to address the gap over the next three years. This will result in a more stable and supported technology foundation, enabling the City to take increased advantage of automation opportunities.

- Information Technology Services staff were involved in the successful launch of eRegistration for Community Services programs. Previously, customers could register through the phone or stand in line. Over 25% of all program registrations were enrolled and paid for on-line in 2008. This new service option is appreciated by both the customers and customer service representatives.

- In the fall, the City implemented electronic parking tickets using handheld devices. The Commissionaires prefer using the handhelds over hand-written tickets and the camera feature is very useful if the case proceeds to court. The handhelds operate very well in temperatures up to -40 degrees. Productivity is up and data entry errors have been largely reduced. In 2009, the ability to pay parking tickets online will be implemented, along with enforcing the towing option.

- In 2008, staff began compiling inventory lists of all City assets, including historical and/or discounted costs to facilitate compliance with the Public Sector Accounting Board (PSAB) recording and reporting requirements for Tangible Capital Assets. The requirement of PSAB is to report the full cost of the City of Regina operations and to include the amortization of Tangible Capital Assets.

- The Financial Services Department participated in a joint report "Case for Revenue Sharing and Infrastructure Funding" sent to Municipal Affairs, expressing the growth and the unfunded infrastructure gap for the City of Regina. This report will be considered by the Provincial Government towards establishing a new revenue sharing program.

Strategic Priorities

Corporate Services Division operates using a customer-focused approach, which typically includes the grouping of common or like functions. The Corporate Services Division provides a large number and variety of services to the corporation. Corporate Services identified a need to develop a more horizontal approach to solving business issues, which will require the Division to operate in a more integrated way, addressing issues through the various lenses of the Departments in Corporate Services to ensure a more complete solution is delivered.

Underpinning the work on the priorities are three themes:

- Back to Basics – focuses on resources and efforts to ensure basic Corporate Services policies, procedures, and processes are established and documented to ensure consistency, clarity, and stability for the Division and organization.
- Remember the Customer – ensures the needs of the customers are a key focus as business process changes and the continuous improvement activities are implemented.
- Start with Strategy – determines the purpose and expected outcomes of the activities as new initiatives are considered and day-to-day work is performed. Corporate Services remain to be committed to achieving long-term improvement objectives, but endeavour to remain flexible in how Corporate Services Division can be an example of a best-run internal service provider.

The 2009 Divisional Budget provides the resource to deliver these results and is summarized as follows:

Strengthen City Infrastructure and Manage Assets

Our Key Areas of Focus

Corporate

- Development of the Corporate Asset Management Framework and Guiding Principles. The Corporate Asset Management Framework and Guiding Principles will be used as a reference guide and planning tool, in anticipation of the Corporate Asset Management Program being implemented in 2010.
- Development of a long-term Asset Management Strategy for civic facilities including a preventative maintenance program, revitalize plan for current facilities and a strategic approach to the development of new facilities as appropriate.
- Undertake an assessment of the financial system and HR system challenges that exist in the corporation.
- Lead the project to review the revitalization of Mosaic Stadium in partnership with the Saskatchewan roughriders and the Province.
- Lead or provide support to a number of corporate projects including Regina Pioneer Village Amalgamation, Regina global Transportation Hub, Tangible Capital Assets, 2009 Reassessment, Evraz Place Revitalization, Pension Plan Review, Performance Management Program, and Recreation Facilities Master Plan.

Our Outcomes

- Effective financial management.
- Revitalized facilities.
- Effective fleet management.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- Continue to support corporate organizational capacity in the operating divisions' organizational structure changes and the delivery of new projects and programs.
- Communicate to the operating divisions Corporate Services' role and responsibilities, service levels, performance measures, and customer satisfaction measures.

Divisional

- "Keeping the Lights On" – address the significant staff shortage throughout the Division.
- Identify and implement organizational structure changes within Corporate Services to respond to changing and growing demands on Corporate Services' service provision
- Establish and document basic policy, procedures, and processes to ensure consistency, clarity, and stability for the division and organization.
- Review core business processes to identify opportunities for improvement.
- Continue development of the Contemporary Workplace Strategy that began in 2008.
- Develop department business plans that align with the Corporate Strategic Plan and the Division Business Plan.
- Development of the Technology Plan.

Our Outcomes

- Appropriately skilled and knowledgeable employees.
- Engaged employees, supervisors and managers.
- Appropriate and efficient information technology tools in a secure environment.

Manage Growth and Community Development

Our Key Areas of Focus

Corporate

- A comprehensive community Development Plan that identifies the City's level of support to community organizations and the level of responsibility and involvement in social programming.

Divisional

- Support the development of the Global Transportation Hub including the establishment of an entity, business plan, and operating framework.
- Finalize a report of recommendations for the City resulting from the Airport Ground Transportation Study done in partnership with the Regina Airport Authority.
- Provide ongoing support and services to the operating divisions in the daily operations and the delivery of the new projects and programs.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Optimization of existing infrastructure capacity.
- A consolidated approach to providing community investments.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- Develop and implement process and program improvements, which will increase our focus on customers, establish common understanding of business objectives and priorities, improve our capacity to work smarter and be better positioned to assist operating divisions achieve their business objectives.
- Continue to support programs and services that meet the needs of the community.

Divisional

- In alignment with the corporate strategy, implement a Customer Service Plan, which will strengthen customer service delivery capabilities to our community and with our customers, define service levels that are acceptable and achievable.

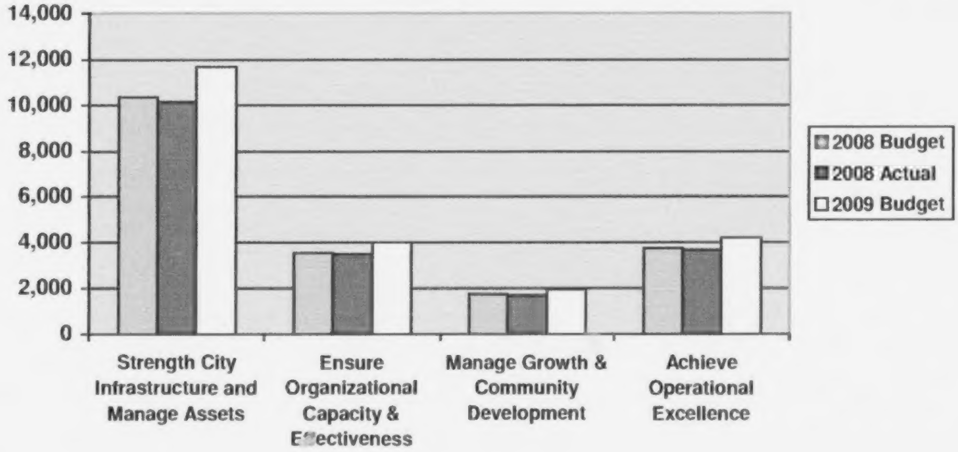
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities, the Corporate Services Division has estimated its total allocation of operating budget (including the Costing Fund) as follows:

By Strategic Priority



In a more traditional format the Corporate Services Division has summarized its operating budget as follows:

By Business Unit

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Administration	954.9	479.6	**787.2**	(167.7)	(17.6)
Facilities Management Services	3,387.2	3,422.4	**3,908.3**	521.1	15.4
Financial Services[(1)(2)]	4,752.8	4,629.4	**5,234.4**	481.6	10.1
Human Resources	4,043.8	4,278.4	**5,161.7**	1,117.9	27.6
Information Technology Services	6,046.0	5,947.7	**6,506.8**	460.8	7.6
Fleet Services	164.1	207.2	**143.5**	(20.6)	(12.6)
Pensions & LTD	70.8	63.8	**94.4**	23.6	33.3
Total	19,419.6	19,028.5	**21,836.3**	2,416.7	12.4

Note:

(1) 2008 Budget has been restated to reflect new Organizational Structure. Assessment & Taxation is now part of Planning & Development Division.

(2) Licensing & Municipal Fines Budget is not part of Bylaw Enforcement within the Community & Protective Services Division.

By Expense Object

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Salaries & Benefits	14,049.7	13,494.0	**15,873.1**	1,823.4	13.0
Goods & Services	1,878.3	1,832.9	**2,216.2**	337.9	18.0
Administrative Expenditures	1,088.5	1,357.2	**1,069.2**	(19.3)	(1.8)
Software Maintenance Charges	871.5	888.3	**1,016.5**	145.0	16.6
Electricity & Natural Gas	540.1	563.6	**629.6**	89.5	16.6
Allocated Costs	991.5	892.5	**1,031.7**	40.2	4.1
Total	19,419.6	19,028.5	**21,836.3**	2,416.7	12.4

Costing Fund

The Corporate Services Division provides service to other Divisions that are charged out to their operating budgets. On a stand-alone basis, these costs are reflected as follows:

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Facilities & Energy Management	5,682.8	5,423.7	**5,910.0**	227.2	4.0
Fleet Services	17,540.5	17,803.5	**18,467.2**	926.7	5.3
Information Systems	1,439.4	1,539.3	**1,521.3**	81.9	5.7
	24,662.7	24,766.5	**25,898.5**	1,235.8	5.0

Staff Complement

Full Time Equivalents (FTE's)	**2008**	**2009**
Permanent	292.1	303.1
Casual	25.3	29.7
Total	317.4	332.8

Note:
2007 and 2008 Budget and Actual numbers and the FTE's have been restated to reflect the current organizational structure.

Analysis of Operating Expenditure Budget Changes

Details	($000's)
2008 Budget	19,419.6
1. Salaries and Benefits - Includes cost changes resulting from in-range progression increases, classification reviews and employer benefit costs. (Base)	825.5
2. Furniture and Fixtures - The Facilities and Energy Management Department is establishing new corporate standards for office furniture. This budget includes a corporate amount for office purchases and detailed procedures for furniture procurement. (Base)	144.9
3. Software Maintenance Charges - includes providing software upgrades, bug fixes and support from the vendor for implementation for any new line of business applications. (Base)	128.2
4. Electricity and Natural Gas - anticipated rate increases for electricity plus historical adjustments for new office building and decommissioning Natural Gas. Anticipated rate increase primarily due to natural gas being supplied by a new supplier for the next five years. (Base)	76.7
5. Education/Training and Consulting Services - increase to education and training services to establish a pool for Finance and to cover more employees pursuing CA, CMA, CGA designations and Master's Degrees and an increase in consulting services to address and assist in divisional work initiatives, including EFAP. (Base)	87.9
6. Contracted Services - increase in cost of required actuarial services including non-pension post retirement benefits, post employment, vested sick leave/severance pay, police civilian early retirement, health plan estimate of CFR & IBNR. Increase in cost of audit services including annual fees, GST audit, Transit MAER audit and MRIF audit. (Base)	34.7
7. Corporate Training - HRC & External Support (1.0 Permanent FTE) - Develop/Deliver various training programs for employees in order to build strong performance and leadership. (Addition)	181.9
8. Facilities and Energy Management Reorganization Phase I - Manager of Maintenance (1.0 Permanent FTE) - As part of the Facilities reorganization, this position focuses on the management of the maintenance function for the department. (Addition)	82.7
9. Facilities and Energy Management Reorganization Phase I – Manager of Building Services (1.0 Permanent FTE) - As part of the Facilities reorganization, this position will be responsible for the development and implementation of corporate wide programs related to initiatives such as furniture inventory, office space and parking. (Addition)	72.7
10. Employee Survey - consulting cost for conducting the employee survey. To be done annually. (Addition)	65.0
11. City Hall Vacation/Sick Time Coverage (0.5 Casual FTE) - This request represents vacation and sick time relief (backfill) funding for Cleaner and Building Operator positions at City Hall. (Addition)	18.6
12. Conferences, Seminar and Travel - Increase in Conferences, Seminars & Travel to support the training and development of increased staff. (Addition)	16.0
13. Recruitment HRA's and Administrative Support (1.0 Permanent FTE and 2.1 Casual FTE) - Additional HR staff for E-recruitment project and assist in a corporative recruitment efforts. ($46.0 Addition and $137.6 Special)	183.6
14. Tangible Capital Assets (1.0 Permanent FTE and 0.5 Casual FTE) - PSAB 3150 requires that the City of Regina record and report tangible capital assets on its 2009 Financial Statements along with prior year comparatives. ($75.0 Addition and $30.0 Special)	105.0
15. Project Management Analyst (1.0 Permanent FTE and 1.0 Casual FTE) - As the City moves to improve its processes and programs, the establishment of an IT project management office becomes important. This will be a group of trained project managers who follow the corporate project management process on all IT related projects. This centre of excellence will work with Q&I to provide the following services that enable Business Technology project management. (Addition $37.9 & Special $54.3)	92.2
16. Manager of Financial Services (1.0 Casual FTE) - Required for 1 year to work on organization structure/hierarchy, position, job and account code review in VIP, and align VIP and Brass. (Special)	103.7

Details	($000's)
17. Oracle R12 Upgrade (1.3 Casual FTE) - Oracle Financials Upgrade required to move the City to a supported environment, platform and database. (Special)	97.3
18. Tangible Capital Asset Valuation - Tangible Capital Assets – Consultant to perform methodology and valuation review. (Special)	60.0
19. Facilities & Energy Management Reorganization Phase I - Coordinator of Life Safety and Security (1.0 Casual FTE) - As part of the Facilities reorganization, this position will be responsible for the development and implementation of Life Safety and Security programs in all civic facilities. (Special)	44.6
20. Furniture Costs - related to new positions. (Special)	45.0
21. Tangible Capital Assets Audit - Audit recording of Tangible Capital Assets in the summer of 2009. (Special)	25.0
22. Aboriginal Co-op Position - for the diversity program.	40.0
23. Programmer Analyst II (1.0 Casual FTE) - An increase in demand for technology solutions to build business organizational capacity has out stripped the ability to deliver on project at the programmer level. The number and complexity of our business technology application as grown significantly over the last several years. Large and complex systems (SPL, FDM, Ticket Tracer) and customer applications (Trip Planner, Paratransit AVL) have been implemented without an increase in programming staff. (Special)	28.6
24. Database Administration (1.0 Casual FTE) - is required to ensure ITS has the capacity to maintain the increasing number of databases required to support the City's business initiatives. The growth in existing data (financials, assessment, etc.) and the addition of new data (mapping, GIS, etc.) will require the creation and manipulation of more corporate databases. (Special)	38.6
25. Rewards and Recognition - Additional service awards required as approved by ELT for employees under the old program.	35.0
26. Remove 2008 Specials.	(182.3)
27. Reorg To/From - Result of various reorganizational changes.	49.9
29. Reinvestments.	(173.3)
30. Conversion of Casual FTE's to Permanent (5.0 Permanent FTE)	-
31. Other Cost Changes.	89.0
2009 Budget	21,836.3

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Corporate Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Budget Change Dollar Change	 Per Cent Change
Strengthen Infrastructure & Manage Assets	7,563.4	14,166.7	**12,595.0**	5,031.6	66.5
Ensure Organizational Capacity & Effectiveness	791.9	1,483.3	**1,775.0**	983.1	124.1
Manage Growth & Community Development	400.1	749.4	**175.0**	(225.1)	(56.3)
Achieve Operational Excellence	454.9	852.1	**-**	(454.9)	(100.0)
Total	9,210.3	17,251.5	**14,545.0**	5,334.7	57.9

Business Unit

Expenditures	2008 Budget	2008 Actual[1]	**2009 Budget**	Budget Change Dollar Change	 Per Cent Change
Facilities Management Services[2]	4,001.0	7,082.5	**8,232.0**	4,231.0	105.7
Fleet Services	4,586.3	8,558.9	**4,782.0**	195.7	4.3
Information Technology Services	623.0	1,610.0	**1,531.0**	908.0	145.7
Total	9,210.3	17,251.4	**14,545.0**	5,334.7	57.9

Note:

1. *The 2008 actual expenditures include the 2007 carry forward budget amounts that were spent in 2008.*
2. *Facilities Management Services 2009 Budget includes Facilites amounts previously reported in Community & Protectives Services and Public Works and the 2008 Budget has not been re-stated to reflect the change.*

Summary of Capital Investments

Details	(000's)
Facilities Management Services – Major Projects	
Corporate Services – Facilities is undertaking several projects within the division to enhance service provision to the public and to upgrade space for employees. These projects include renovations to City Hall's 14th and 15th floors, customer service, security, furniture and elevator upgrades. Funding for construction of a new shop trade shop building for Parks and Facilities.	2,203.0
Community & Protective Services – Facilities has requested funding to continue work on a two significant projects. In partnership with Protective Services Department will be working on a design to replace #4 Fire Station located at Pasqua Street with a new fire station to be completed in 2010 on Dewdney Avenue. The Lawson Aquatic Centre will be undergoing a number of improvements including roof replacement, repainting the pool basin, replacing bleachers; upgrading other parts of the facility.	2,792.0
Public Works – Facilities with Public Works will be working to develop a Facilities Master Plan for Public Works to provide Facilities with a work plan to implement over a number of years to provide Public Works with the facility resources required to support the success of that division long into the future.	300.0
Asset Revitalization & Sustainability – This is funding for the regular maintenance of all facilities to ensure safety of occupants and long-term use and preservation.	2,937.0
Fleet Services In 2009, 64 fleet vehicles and mobile equipment units will complete their economic life. Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.	4,782.0
Information Technology Services	
Business Applications – In 2009, the following business applications will be upgraded or implemented: Tax Assessment System, Human Resource Management System, Financial Systems, and Urban Planning Automation.	881.0
Supporting Infrastructure – In 2009, the technology infrastructure will receive a number of improvements including a network switch upgrade, new facility cabling, upgrading security software solutions to keep the City's data safe and database licensing. The first phase of Point-to-Point wireless will be implemented which is an initiative to extend the reach of the current fibre optic network using wireless communication technology. The program is intended to eventually replace all existing leased data lines that connect more than 50 City facilities/locations to the corporate network.	650.0
2009 Budget	14,545.0

Planning & Development Division

Mandate

"We provide a long-term comprehensive approach to planning, engineering and development processes to ensure the efficient use of land and community infrastructure in creating a city that reflects Council's Vision and the goals of Regina residents. Specifically, the Division encompasses land use, neighbourhood, transportation and infrastructure planning, long-range capital planning, development review, building permits and inspection and real estate services."

Overview

As described in our mandate, the Planning and Development Division is primarily focused on managing growth, development and the provision of infrastructure, which is responsive to the needs, and aspirations of the community. The Division is organized into the following functional areas:

- Planning and Sustainability – This Department, led by the Director is responsible for preparing and maintaining the Official Community Plan (OCP) to guide the future growth of Regina, and the implementation of the OCP through zoning, subdivision approval and building permitting and inspection processes. The Department also administers housing, heritage and sustainability programs to enhance quality of life. The planning process is collaborative and responsive to the community, and dedicated to guiding development in a manner, which is cost effective in its demand for infrastructure, achieves a high quality of life, provides housing choice, and is sustainable.

- Development Engineering – This Department, led by the Director, consists of two branches – Technical Services and Infrastructure Development. The Technical Services Branch manages infrastructure related activities to provide City-wide services. These activities include coordination of each of development, infrastructure renewal and capital construction; provision of geomatics and drafting services in support of construction programs, maintenance of infrastructure assets database, and liaison with utilities, and other outside agencies. The Infrastructure Development Branch is responsible for long-range infrastructure planning, design and construction, as well as the review and approval of new development. The Infrastructure Development Branch also manages development policies and programs related to standards, specifications, and fees.

- Real Estate Services – The Real Estate Branch provides the City of Regina with all required real estate services, including industrial land development, the purchase or lease of properties when needed for City operations, the sale or lease of City-owned properties, disposition of properties taken under the tax enforcement process, acquisition of easement rights, and the provision of real estate information and services to local developers, real estate agents and City residents.

- Assessment and Property Taxation – The Assessment and property Taxation Department is responsible for assessment and property tax administration within two branches. The Assessment Branch is responsible for assessing all properties in accordance with *The Cities Act* and the assessment manual and board orders adopted by the Saskatchewan Assessment Management Agency. The Taxation and Administration Branch is responsible for the administration of property tax revenues including billing, collections, local improvement and special levies and assessment administration including notices, market data and surveys, property ownership and school support records. In 2009 there is a province wide reassessment mandated by provincial legislation. Legislation requires that each revaluation be reflective of a base date. The base date for the 2009 reassessment has been set as June 30, 2006. The goal of all stakeholders in the assessment system is a system that results in values that better reflect market values. Changes in assessment methodologies in the 2009 reassessment will assist in achieving the goal. The changes for the 2009 reassessment will move the assessment system from process orientated to results based and is aligned with the assessment systems used across Canada. The adoption of the income approach is part of the strategy to implement a mass appraisal market value assessment system in Saskatchewan. The major change for 2009 is the implementation of the income approach to value for commercial and multi-family properties.

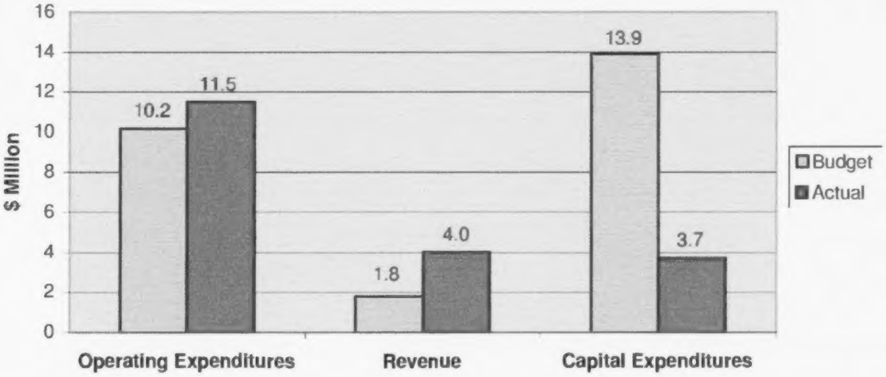
Key Facts

- 88.9% of the total operating expenditure of the Division results from staff related costs. Our product is information used to leverage all development activity in the City in a manner intended to align with and achieve community objectives.
- Currently the City provides over $1 million per year in tax exemptions to promote housing development through the Inner City Housing Stimulation Strategy, Downtown Residential Incentive and Warehouse District housing incentive programs.
- Through zoning and building permit processes, the Division directed a record $342 million worth of new construction that occurred in Regina in 2008 towards achieving community development objectives.
- Twenty-three zoning bylaw amendments and twenty-seven discretionary use applications were processed through Regina Planning Commission and City Council.
- Over 40 subdivision applications were processed resulting in new sites to accommodate development in strong economic conditions.
- Review and consideration of 32 condominium conversion applications commenced in 2008 and carry forward into 2009.
- Ninety applications for development appeals were processed through the Development Appeals Board.
- More than 440 commercial permits were reviewed for zoning compliance. Based on activity to date in 2009 the volume of renovation and new commercial is expected to continue to be strong this year.
- The Federal Government has allocated $1.127 million for homelessness initiatives in Regina in 2007 and 2008. This bring total commitments to $8.3 million since 2000.

- In 2008, 35 applications qualified under the Inner City Housing Stimulation Strategy (ICHSSS) for exemptions commencing in 2009. In addition, eight units qualified for the Waterhouse District exemption and 17 units qualified under the Downtown Residential Incentives Program for exemptions commencing in 2009. The number of units qualifying under the ICHSS program is expected to increase in 2009 as a result of two multi-unit developments now in progress.

2008 Highlights

Financial Performance



Operational Highlights

- 2,387 building permits were issued for a record $342 million worth of construction. In 2009, a similar level is expected.

- The Core Sustainable Neighbourhood Action Plan was under development in 2008 and is nearing completion. The plan guides future land use and development giving the area its "look and fee". Consultation included discussions with community residents and organizations, businesses and private sector developers to determine residents and organizations, businesses and private sector developers to determine what kind of development, services, and neighbourhood's heritage characteristics. Reports to the Action Plan and the Official Neighbourhood Plan will go to the Regina Planning Commission and City Council in the spring of 2009.

- In late 2007, the City of Regina engaged a consultant, Office for Urbanism, to facilitate the creation of a comprehensive development plan for the downtown area. After extensive public consultation, a draft concept plan was presented to the City Administration in 2008 for their review. The Administration will submit their recommendations to Council in early 2009. The intent of the plan is to have a vibrant, sustainable downtown that attracts residents, shoppers, visitors and businesses. The plan will provide the necessary policy framework to guide development in the downtown for the next 20 years.

- Proposed amendments to Regina's boundaries to include lands which will be needed by future industrial uses that require urban services were identified. A public review process was undertaken with affected property owners and interested parties which included two public open houses. The Administration negotiated a tax loss compensation agreement with the RM of Sherwood. City Council and the RM Council approved complementary resolutions for the boundary alteration in January of 2009. The Minister of Municipal Affairs approved the boundary alteration in February 2009.

- Alternative transportation initiatives were particularly successful in 2008. For the first time in its ten years of participation in the Commuter Challenge, Regina ranked first in its size category across Canada. Regina also placed first in the carpool.ca Rideshare promotion in October, ahead of Saskatoon, Calgary and Edmonton.

- The City's Idle Free Zone campaign continued in 2008 with sign postings at the Public Works Yard and the distribution of "Kick the Habit" reminder key tags for fleet operators, paid by the City-led vehicle idling awareness project with funding from the provincial Go Green Fund. School bus operator awareness was also paid for with this project funding. The City's vehicle idling campaign will be featured in the nationally distributed "Idle Free Zone" newsletter put out by National Resources Canada (Spring 2009).

- The City of Regina's climate change program was recognized by the Regional Centre of Expertise on Education for Sustainable Development (ESD) for being innovative in building capacity for ESD in Saskatchewan.

- Work on a North Central Legacy study that will examine transportation, housing, and land use in the North Central neighbourhood was initiated in 2008. The study will help to co-ordinate neighbourhood planning for North Central neighbourhood with the development of the new shared facility on the Scott Collegiate site.

- Work continued on the Federation of Canadian Municipalities' Quality of Life Reporting System with 23 other municipalities and regional governments. Reports on housing and immigration are forthcoming in 2009. These reports support FCM policy development and are used to influence federal government policy in a variety of areas.

- The Development Engineering Department has been heavily engaged in the planning and tendering of the utilities that service the Global Transportation Hub, located immediately West of the City, and South of Dewdney Avenue. The City has annexed the lands associated with the GTH, and shall tender and monitor construction of some $50 Million of underground and drainage utilities to enable growth in this important economic project.

- Development Engineering continues to design and tender major Roadways and Utility projects that support residential and commercial growth in the City, including the residential subdivisions of Harbour Landing in the Southwest and the Creeks in the Southeast. Major projects include a traffic project at Lewvan and the Trans Canada Highway, the extension of Parliament Avenue West of the Lewvan, development of McCarthy from Wadge to Diefenbaker, and intersection improvements at Lewvan and Gordon Road.

- The implementation of the 2009 reassessment was aligned with the corporate objective of improving customer service. Consultation took place with commercial property owners, business organizations, and local and national real estate professionals to ensure high quality assessments. Consultations with commercial property owners was used to get input and advise on the valuation models which improved the accuracy, transparency, and understandability of the assessment process. The implementation of the 2009 reassessment has produced lower appeal levels than previous reassessments particularly in the commercial and industrial sectors with more interaction occurring directly with property owners.

Strategic Priorities

Planning and Development Division is the City's lead Division in the planning and management of the City's growth. The functions of the Division as they relate to growth can be described as "dirt to dollars" – ability to take land (dirt) through the planning, design, development, and building process to assessment and finally taxation (dollars).

In a municipality where the size and needs of the population are in flux, this approach allows Planning and Development to drive strategic development through innovative tax policies and realize revenue that can be directed into buildings and sustaining public services. The City's approach to comprehensive planning is holistic – look at the physical, economic, environmental, social, and cultural developments of the City and focus a wide-angle lens on the community that is in the process of being planned and built.

The Division's role in the development process begins with the establishment of a hierarchy of comprehensive policies, strategies, and plans to manage the growth of the City. The top most plan is the Official Community Plan that addresses City and city-wide polices. The official Community Plan is the adopted official statement of the City for future development and conservation. It sets out goals; analyzes existing conditions and trends; describes and illustrates a vision for the physical, social, economic, and cultural characteristics of the community in the years ahead; and outlines the policies and guidelines intended to implement that vision. An OCP addresses a broad range of interrelated topics in a unified way, and identifies and analyzes the important relationships among the economy, transportation, community facilities and services, housing, the environment, land use, human services and other community components. It does so on a community-wide basis and in the context of the broader region.

The 2009 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- Complete Reassessment 2009 and in subsequent years as legislated by the Provincial Government.

Divisional

- Update and integrate data systems (existing and in-development) across the Division, working toward automation, improvement of workflow processes between work units, improved data sharing, using GIS to its full capability, linking the new Permits, Applications, Information Database (PAIID) to the current TAS system, and managing data origin.
- Review and revise, where necessary, standards and specifications.

Our Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest, and landscapes.
- Reliable water, wastewater, storm, and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- Documentation and review of core business processes to identify areas for improvement, clarify roles and responsibilities, eliminate duplication of work, and understand the relationships between the various branches and departments involved in the processes.

Divisional

- Conduct a review of real estate policies and business model to ensure the management of City's properties are done in the most effective way possible.
- Establish organizational structures for the Planning and Sustainability Department and the Real Estate Branch that focus on accountability, effectiveness, and efficiency.
- Identify proactive means of preparing for and reducing, future vacancies including succession planning, recruitment strategies and retention strategies (including orientation).
- Develop succession plans to ensure retention of corporate knowledge in the event of resignations or retirements.
- Under the Contemporary Workplace Strategy, focus on activities related to training and team building.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable, and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- Initiating and completing the initial phases of the Official Community Plan Review in support of a completion of the review by 2012 as identified in *Imagine Regina 2020: Accelerating Excellence*.
- Developing a Transportation Master Plan that provides for the effective and efficient movement of people and goods, considers all modes of transportation including vehicular, bicycle, transit, and pedestrian.
- In conjunction with the Public Works Division, completing three city-wide serviceability studies (water, wastewater, and storm water) to identify the capacity in each system, plan for the upgrading and maintenance of existing infrastructure and identify infrastructure requirements for new growth.
- Providing sound land use, transportation and infrastructure planning for major projects such as the Global Transportation Hub, new neighbourhoods and other key economic development projects in a time-sensitive manner that ensures sustainable development while facilitating economic growth.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance vibrancy of downtown.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- The development and implementation of activities in a divisional customer service plan, aligned with the Corporate Customer Service Strategy, ensuring that sufficient capacity and resources exist for thorough, effective, and timely response to customer inquiries and the various applications processed by the division.
- Participation in the piloting of the Public Engagement Framework.

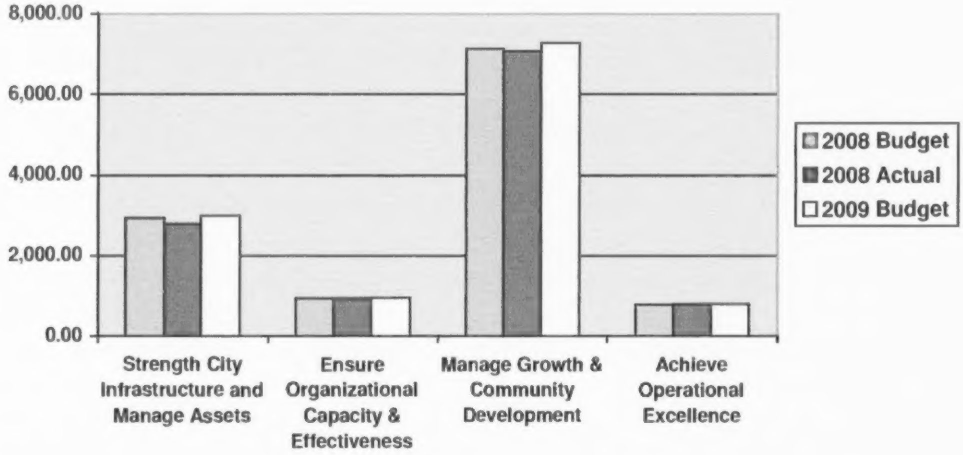
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Planning and Development Division has estimated its total allocation of operating budget as follows:

Strategic Priority



In a more traditional format, the Planning and Development Division has summarized its operating budget as follows:

Business Unit

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Office of the GM/Administration	221.5	258.2	**331.4**	109.9	49.6
Planning & Sustainability Department					
Office of the Director	394.2	2,259.9	**800.1**	405.9	103.0
Building Branch	1,515.7	1,571.8	**1,512.9**	(2.8)	(0.2)
Development Review Branch	1,273.7	1,231.5	**665.2**	(608.5)	(47.8)
Comprehensive Planning Branch	785.8	707.0	**1,083.5**	297.7	37.9
City Centre Branch	-	-	**309.3**	309.3	100.0
Development Engineering Department					
Office of the Director	144.1	177.5	**335.8**	191.7	133.0
Technical Services Branch	1,211.8	1,025.1	**674.8**	(537.0)	(44.3)
Infrastructure Development Branch	684.9	590.2	**634.7**	(50.2)	(7.3)
***Assessment & Taxation**					
Assessment Administration Branch	664.8	682.4	**830.5**	165.7	24.9
Assessment Valuation Branch	1,904.5	1,940.6	**2,121.5**	217.0	11.4
Property Tax Administration Branch	776.8	748.5	**924.6**	147.8	19.0
Reassessment & Special Charges Branch	657.7	317.0	**193.2**	(464.5)	(70.6)
Total	10,235.5	11,509.7	**10,417.5**	182.0	1.8

*Restated to 2009 Organization Structure.

Expense Object

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Salaries & Benefits	9,184.9	8,801.1	**9,437.0**	252.1	2.7
Automobile Allowances	106.9	122.8	**111.9**	5.0	4.7
Advertising & Media Related Services	193.7	194.7	**81.1**	(112.6)	(58.1)
Consulting Services	350.0	420.7	**428.5**	78.5	22.4
Subsidized Housing	160.0	122.4	**160.0**	-	-
Allocated Computer Lease Costs	88.1	88.1	**114.1**	26.0	29.5
Social Development Reserve Transfer	-	1,500.0	**-**	-	-
Other Expenditures	151.9	259.9	**84.9**	(67.0)	(44.1)
Total	10,235.5	11,509.7	**10,417.5**	182.0	1.8

Costing Fund

The Planning and Development Division provides service to other Divisions that are charged out to their operating budgets. On a stand-alone basis, these costs are reflected as follows:

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Real Estate	662.8	984.9	**669.3**	6.5	1.0

Staff Complement

Full Time Equivalents	**2008**	**2009**
Permanent	120.3	118.1
Casual	4.2	9.7
Total	124.5	127.8

Note:
Budget and Actual numbers and the FTE's have been restated to reflect the current organizational structure.

Analysis of Operating Expenditure Budget Change

Details	($000's)
2008 Budget: Planning & Development ($6,231.7)/Assessment & Taxation ($4,003.9) Merged	10,235.6
1. Salaries and Benefits - includes cost changes resulting from in range progressions, classification reviews and employer benefit costs, including increases in the City's contribution to the Employees' Pension Plan. (Base)	208.0
2. Official Community Plan Review - Planner Positions - In 2009, the City of Regina will initiate a comprehensive review of the Official Community Plan (OCP), with a view to completing the project in 2012. Two planner positions, a Senior Community Planner, and a Community Planner I, will support the OCP Review and bring professional planning expertise to the Planning and Sustainability Department to address many complex urban planning challenges and issues on an ongoing basis. In 2009, the positions will initiate the OCP Review, including development of project plans and timelines, definition of the community engagement process, and collaboration with consultant teams engaged to undertake various background studies to support the Review. (Addition)	89.5
3. The Manager of Strategic Support will lead and manage division-level projects, lead the implementation of corporate initiatives within the division, and serve as the division representative on corporate project teams. A central point of coordination is required at the division level to oversee the high number of new initiatives and ensure that they are implemented consistently and effectively across the division. (Addition)	58.0
4. Reassessment Market Data Collection and Customer Support - The addition of 2 Reassessment Customer Service Clerk to the Assessment and Property Taxation Department's staff complement will more accurately reflect the resource needs of the four-year reassessment cycle. Reassessment work is done on an ongoing basis throughout each four-year cycle to ensure productivity, efficiency and customer service. Historically, these positions have been new requests in each budget year. Given that they are essential to the reassessment process, adding the positions to the department's base budget reflects their importance and ensures that adequate resources are available year-to-year for the reassessment work. (Addition)	43.6
5. Residential Building Inspection - The addition of a permanent Residential Building Inspector position to the Planning and Sustainability Department will provide additional resources for the department's building inspection activities that are legislated by the Provincial Uniform Building and Accessibility Act. The Department requires more resources in this area to address the marked increase in residential building activity in the city and ensure that inspections are occurring in accordance with provincial requirements. (Addition)	30.3
6. Less 2008 Specials	(675.0)
7. Official Community Plan - Consultant Studies - As part of the background research to be conducted in the initial phase of the Official Community Plan (OCP) Review, consultants will be engaged to prepare studies including, but not limited to, a retail market analysis, opportunities and constraints assessment, and urban transportation modelling. Among the identified needs is the assembling of information, statistics, data and research to provide the necessary inputs into the development of a model that will help understand the long term consequences for the community of planning decisions. Consultant resources are required as staff capacity currently does not exist to undertake the specialized study required to initiate the OCP review. (Special)	175.0

Details	**($000's)**
8. Reassessment Market Data Collection and Customer Support - The addition of 2 Temporary Reassessment Customer Service Clerks to the Assessment and Property Taxation Department's staff complement will more accurately reflect the resource needs at the peak of the four-year reassessment cycle, and will supplement existing staff during this heavy volume time. (Special)	82.5
9. The City urban landscape has changed significantly since the last capture in April 2006 because of both new suburban and infill developments. The past 3 years has seen a boom in construction and development throughout the city. The currency of air photos affects their usability. To avoid air photos becoming out-of-date and unreliable, they should be refreshed every 2 years. (Special)	75.0
10. Planning and Permitting Automation - The resources of a Business Systems Clerk (one-year term position) will be provided to the corporation's Permits, Applications, Inspections and Information Database Project (PAIID) to assist with the input, verification and conversion of planning and building data for the project. A large quantity of data needs to be entered in order to implement the new software system that is the subject of the PAIID project. The purpose of the PAIID project is to implement new software to automate portions of the City's development and building permit application, and enforcement, processes. The new software and process improvements will increase efficiency when processing customer requests, reduce data duplication, centralize data storage, share and integrate data and provide mobile/wireless access for inspectors in the field. (Special)	40.0
11. Interim Downtown Urban Design Review - Consulting Services - The consulting firm, Office for Urbanism, will be retained on a short-term basis to review development proposals for compliance with the built form framework and urban design principles that are adopted with the new Downtown Master Plan. This resource will ensure proper design review of proposals occurs on a near term basis until staff capacity to conduct urban design review exists in the Planning and Sustainability Department. This will also ensure that the initial developments approved under the new plan are consistent with the vision and principles of the plan sending a signal to the community that the City is serious about downtown renewal. Office for Urbanism developed the Downtown Master Plan in partnership with the City of Regina so the consultants are very familiar with the urban design principles and are well-positioned to provide the required design review services. (Special)	30.0
12. Planning & Sustainability Comprehensive Fee and Charges Review - Consulting Services - A consultant will be hired to conduct a review of the Planning and Sustainability Department's building permit fees. The study will include a review of the current cost recovery target of 75% as well as a full accounting of costs incurred by all departments in the permit review process. This initiative was identified as one of 61 opportunities in the 2004 City of Regina Core Services Review. (Special)	25.0
2009 Budget	10,417.5

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.
Reinvestments – represents cost savings and controllable and sustainable revenue increases.

Capital Investment Program

To achieve the City's Strategic Priorities the Planning & Development Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

				Budget Change	
Expenditures (000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	5,952.0	2,164.9	**-**	(5,952.0)	(100.0)
Ensure Organizational Capacity & Effectiveness	999.0	-	**16,900.0**	15,901.0	1,591.7
Manage Growth & Community Development	6,121.5	1,528.9	**-**	(6,121.5)	(100.0)
Achieve Operational Excellence	832.5	-	**-**	(832.5)	(100.0)
Total	13,905.0	3,693.8	**16,900.0**	2,995.0	21.5

Business Unit

				Budget Change	
Expenditures (000's)	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Real Estate					
Land Development	5,080.0	2,164.9	**300.0**	(4,780.0)	(94.1)
Planning & Sustainability					
Downtown Development	150.0	60.8	**5,950.0**	5,800.0	3,866.7
Development Engineering					
Transportation Projects	8,675.0	1,468.1	**10,650.0**	1,975.0	22.8
Total	13,905.0	3,693.8	**16,900.0**	2,995.0	21.5

Summary of Capital Investments

Details	($000's)
1. City Square WOW Project - The immediate centre piece of Downtown Development is the "WOW" project, which involves considerable alterations to 12th Avenue, immediately North of Victoria Park as well as the park itself. The project will re-route transit and redevelop 12th Avenue to create a public space that will be shared by pedestrians and vehicles for major festivals.	5,950.0
2. Parliament Avenue Extension (West of Lewvan Drive) – Completion of this project will keep the City on track with its projected Long Term Roadway Development for a 235,000 Growth Scenario and support the Southwest Sector Development.	2,500.0
3. Interchange - Highway 1 and Lewvan Drive – In 2008, $2M was provided as a commitment of funding towards the construction of the interchange by the Ministry of Highways and Infrastructure . An additional $2,000,000 in funding was allocated in 2009 and $3,000,000 in 2010. An additional $300,000 is requested in 2009 for the City's contribution to the detailed design.	2,300.0
4. Intersection (Parliament Avenue and Lewvan Drive) – In 2008, $50,000 is provided for detailed design and in 2009 $1,400,000 was provided to make intersection improvements at Lewvan Drive and Parliament Avenue. Construction has been advanced from 2010 to reflect planned development in Harbour Landing.	1,400.0
5. McCarthy Boulevard (Wadge Street to Diefenbaker Drive) – In 2009, $1,000,000 is provided for the construction of McCarthy Boulevard from Wadge Street to Diefenbaker Drive to support development of two prospective residential developments – Lakeridge North and Skyview.	1,000.0
6. Various Other Projects, valued under $1,000,000.	3,750.0
2009 Budget	16,900.0

Costing Fund Budget Summary

Overview

The Costing Fund was established to account for operations that are not part of either the General Fund or the Water and Sewer Utility Fund. The Costing Fund includes:

- Real Estate, which carries out all real estate-related services for the City. This includes buying and leasing properties when required for City operations, selling or leasing City-owned properties, performing land development functions, selling properties taken through tax enforcement, and providing real estate services, information and advice to all city departments.

- Facilities Management Services, which includes the day-to-day operation and maintenance of City-owned facilities along with Central Stores and the Fuel/Lube Centre, including the Natural Gas Vehicle Program.

- Fleet Services, which includes fleet management, maintenance and operator training services for the City's fleet excluding that of Transit, Police, and Fire.

- The Print Services and Computer Leasing operations in Information Systems. Print Services is an in-house print shop, with the objective of providing quality output in a timely and cost effective manner. This includes responsibility for output devices (copiers, multi-functional and networked printers) and desktop computers.

- Roadways Operations – this operation provides for the maintenance and repair of roadway and sidewalk cuts made for the City water and sewer operations. The costs of the repairs are charged to the Water and Sewer Utility Budget.

- Granular Materials Supply and Asphalt Plant Operations – the purpose of Granular Materials Supply Section is to purchase, inventory and process granular materials, soils and other landscape products and recycled materials such as steel slag, crushed concrete and crushed asphalt. The Asphalt Plant produces a variety of asphalt mixes for paving, cut repair and patching.

- Open Space Landscape – this operation provides landscape services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Pursuant to the policy of City Council, the net revenue generated by Real Estate is transferred to the General Fund Reserve. The net revenue can vary substantially due to the volume of land sales.

For other operations in the Costing Fund, the purpose of the costing fund is to function as a cost distribution mechanism. All of the costs are allocated to other operating and/or capital budgets.

Costing Fund Expenditure Summary ($000's)

				Budget Change	
Expenditures	2008 Budget	2008 Actual	**2009 Budget**	Dollar Change	Per Cent Change
Corporate Services:					
Facilities & Energy Management	5,682.8	5,423.7	**5,910.0**	227.2	4.0
Fleet Services	17,540.5	17,803.5	**18,467.2**	926.7	5.3
Information Systems	1,439.4	1,539.3	**1,521.3**	81.9	5.7
	24,662.7	24,766.5	**25,898.5**	1,235.8	5.0
Public Works:					
Granular Material & Asphalt Plant	4,649.8	6,758.2	**4,673.0**	23.2	0.5
Roadway Operations	1,296.3	1,679.9	**1,505.8**	209.5	16.2
	5,946.1	8,438.1	**6,178.8**	232.7	3.9
Community Services:					
Open Space - Landscape	1,408.8	1,460.3	**1,357.4**	(51.4)	(3.6)
Planning & Development					
Real Estate	662.8	984.9	**669.3**	6.5	1.0
	32,680.4	35,649.8	**34,104.0**	1,423.6	4.4